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U.S. to Challenge Japan on a Screen Near You

By Daniel Sutherland Washington Post Service AUSTIN, Texas — The United States is preparing to rejoin a major technological battle with Japan that many thought it had lost. Early next year, more than a dozen U.S. companies plan to propose a partnership with the Defense Department in a bid to overtake Japan's lead in the manufacture of thin electronic screens, industry sources said.

would be expected to increase substantially once the project got under way. The plan, if approved by Congress, would be a major new example of government backing for an industry viewed as important to U.S. competitiveness. President-elect Clinton and some of those around him have indicated repeatedly that they support stronger government action to protect and nurture key technologies. If the United States does succeed in becoming a major competitor in the mass manufacture of "flat-panel" display screens, it will be a surprising turn in a story that many have cited as a striking example of U.S. failure to exploit its own technological breakthroughs.

EC Plans 'Big Bang' On Public Works to Revive Europe Unity Projects, to Be Unveiled Next Month, Also Will Open New Links to the East

By William Drozdiak Washington Post Service BRUSSELS — The European Community is preparing a huge public investment package of new roads, train lines and communications networks that could provide a burst of economic growth and transform the Continent's landscape by bringing East and West much closer together. The plans, being put together by the EC's executive commission, are designed to revive public interest in the crusade for European unity with "big bang" infrastructure projects to provide tangible benefits for its citizens.



ORTHODOX ANGER IN JERUSALEM — Ultraorthodox Jews massing for a second day Tuesday to protest the excavation of a Jewish burial site in the Old City dating to the period of the Second Temple, just before the birth of Christ. Fifteen protesters were arrested after they stoned passers-by and set fire to garbage cans.

Bruising Battle Shapes Up Over Asylum in Germany

Compiled by Our Staff From Dispatches BONN — Negotiations to defuse Germany's asylum crisis appeared Tuesday to be headed for a long and bruising battle despite a major reversal of policy by the Social Democratic Party. The opposition Social Democrats also cleared the way for German soldiers to take part in United Nations peacekeeping missions across the globe, agreeing to support amending of the 43-year-old constitutional ban on military involvement outside the NATO area.

turn away many asylum-seekers and to take quicker action to deport those whose applications were rejected. In a first reaction, Mr. Kohl's lieutenants adopted a combative stance before talks that are likely to start Thursday, but said a deal with the Social Democrats was possible. The Kohl government wants to go further in limiting the right of asylum-seekers. "The SPD's decision, adopted after much hesitation, is insufficient, but at long last does open the way to negotiations," said a statement issued by the interior minister, Rudolf Seiters, and Wolfgang Schäuble, the head of the Christian Democratic Union's parliamentary group.

U.S. Indicts Suspects In Killings of Hostages

The Associated Press WASHINGTON — The United States has identified and secretly indicted several people whom it suspects are Iranian-sponsored terrorists responsible for the kidnapping and killing of American hostages, a U.S. government official said Tuesday. The official, speaking on condition of anonymity, confirmed a report on CNN and said the United States hoped the suspects could be apprehended now that the climate for international cooperation against terrorism had improved.

AIDS Deaths Stun, and Divide, Figure Skating World

By Filip Bondy New York Times Service NEW YORK — In the last 12 months, three world-class Canadian figure skaters have died of AIDS. Another Canadian skater, Dennis Coi, a former junior world champion, died in 1987 of the same disease. John Curry of Britain, a former Olympic champion suffering from AIDS, returned last month to his home in England to spend the remainder of his life. The sport, in stoic silence, has been rocked by the illness in an Olympic year usually reserved for gold medals and triumphant tours that showcase nothing more controversial than triple jumps. Now, figure skating is left with the task of educating its anxious athletes and avoiding the publicity that might damage this theatrical, marketing-driven sport.

In the case of AIDS, a skater who acknowledges that he is gay or admits to being HIV positive risks more than loss of privacy. The admission also brings the strong possibility that endorsements from sponsors will be lost and that difficulties will increase when crossing international borders for competitions. The United States has one of the most restrictive immigration and customs policies in the world toward AIDS. "Rob McCall didn't announce he had AIDS for that reason," Miss Wilson said. "Those final months were an incredibly helpless feeling for him. We were in the midst of our pro career, and he didn't want to quit at all."

Advertisement for 'Kiosk' featuring 'Antique Silver Going, Gone' and 'General News' with a photo of a man in a suit.

On Hold? Hold On! Still There? Gotta Go! Buy Now!

By Anthony Ramirez New York Times Service NEW YORK — To Miss Manners, also known as Judith Martin, call waiting is "incredibly rude." To Letitia Bakbridge, another etiquette expert, it is "an instrument of the devil." But to David H. Schmidt, entrepreneur, it can be a polite way of easing out of a phone call that has dragged on too long. Call waiting is an electronic service that tells both people on the phone that someone else is trying to get through. To etiquette mavens, it is

the telecommunications equivalent of last-come-first-served. Mr. Schmidt, 30, has invented a fake call-waiting system that gets talkative friends and family, say, or bantwohling telemarketers, to hang up in deference to the supposed incoming call. And Mr. Schmidt can wrap this advantage without call waiting's fees, which in New York City run \$16 for installation and \$5.19 a month. The electronic device — it is called Gotta Go — simulates the brief interruption, and click, of the call-waiting signal. Mr. Schmidt

Mitterrand Under Attack Over Wreath for Pétain's Tomb

By Barry James
International Herald Tribune

PARIS — President François Mitterrand's decision to send a wreath to the tomb of Marshal Philippe Pétain, the wartime collaborationist leader, has landed him in a diplomatic and political brouhaha shortly before an official visit to Israel next week.

Mr. Mitterrand insists that by sending the wreath on Armistice Day, he was honoring Pétain the World War I leader and not Pétain the man who collaborated with Hitler.

Nevertheless, the action deeply upset Jewish groups and organizations representing wartime deportees and their families. Mr. Mitterrand has taken part in a radio

interview to be broadcast on the eve of his Israel trip in which he acknowledges the need for a different handling of what he called the "fundamental contradiction" between Pétain's two roles.

The dispute recalled bitterness caused in July when Mr. Mitterrand declined to apologize on behalf of the French Republic for the deportation of about 70,000 Jews to Nazi death camps during World War II. He said on that occasion, and repeated in the radio interview, that the Fifth Republic was not responsible for the actions of the Vichy government, headed by Marshal Pétain.

Newspapers have reported that Mr. Mitterrand was sending a wreath to the tomb every Armistice Day for several years without attracting attention.

But with parliamentary elections due in two rounds on March 21 and 28, politicians are seeking advantage wherever they can, and several have seized on the incident as an opportunity to embarrass Mr. Mitterrand.

Jacques Chirac, leader of the Gaullist Rally for the Republic, is among those who have criticized the action. He said he did not consider that the president was in any way obliged to send the wreath.

Some members of Mr. Mitterrand's own governing Socialist Party have criticized the action, worsening a growing rift between it and the Socialist president.

Mr. Mitterrand, meanwhile, has broadly hinted that he expects the Socialists to lose the elections and that he will have to con-

tinuous governing with another team until his second seven-year term expires in 1995.

The Socialists won a scant 18 percent of the vote in regional elections this year, and may do even worse in the parliamentary elections because of the deep public anger over the infection of about 1,500 hemophiliacs with blood products that officials knew to be AIDS-contaminated. Also, a decision by two environmental groups to field candidates jointly in the elections could deprive the Socialists of more votes.

Although the former head of the national blood transfusion service, Dr. Michel Garretta, recently began a four-year prison term for knowingly distributing the contaminated blood, many groups are pressing for the politicians in charge of health policy at the time to be indicted.

The trial of politicians for actions carried out while in office can only be conducted by a special high court comprising members of the Senate and the Chamber of Deputies.

Last week, Mr. Mitterrand said he would not oppose the setting up of such a court, leaving former Prime Minister Laurent Fabius and two of his cabinet colleagues — Edmond Hervé, the former secretary of state for health, and Georgina Dufour, the former social affairs minister — to face possible charges.

On Tuesday, the executive bureau of the Senate ruled that there were grounds for proceeding against the three co-ministers. The case will now go before the Senate and the Chamber of Deputies.

WORLD BRIEFS

Syria Says Israel Stymies Peace Talks

WASHINGTON (AP) — Syria's chief negotiator said Tuesday that Israel's refusal to surrender territory endangered prospects for an agreement on Middle East peace principles. As a result, Mouattak Allaf said, "these negotiations have been stymied."

Mr. Allaf said the peace talks at the State Department were based on "land for peace," but Israel has refused to withdraw from any of the territory the Arabs lost in the 1967 Middle East war. "As long as Israel still is not ready," he said, "there is no hope for the issuance of a joint document."

Itamar Rabinovich, the Israeli negotiator, said he thought the Arabs were marking time until the Clinton administration takes office in January. Even then, he said, progress could be further delayed because it would take time for President Hafez Assad of Syria to rebuild a solid relationship with Washington.

Nixon Wins One on Watergate Tapes

WASHINGTON (Reuters) — A federal appeals court, reversing an earlier decision, ruled on Tuesday that Richard Nixon was entitled to compensation for the White House tape recordings, documents and other materials that remain in the government's control.

Mr. Nixon, who resigned in 1974 over the Watergate scandal, had sued, seeking just compensation on the grounds that the materials had been taken unconstitutionally. At issue was a 1974 law adopted by Congress that severely restricted his rights to his presidential papers.

Much of the material, including the famous Watergate tapes that recorded conversations Mr. Nixon had had in the Oval Office, has been stored in the National Archives and has been made available to the public. The appeals court sent the case back to a federal judge to determine the compensation due.

Yeltsin Hints at a Tougher Stance

MOSCOW (AP) — President Boris N. Yeltsin hinted Tuesday that he may resist against his legislative foes if they try to slow his economic program, but he denied that he would declare presidential rule to block a session of parliament.

"Do you really think that your president is such an odd man that I would agree to violate the constitution?" Mr. Yeltsin said. But he added that he would take any step necessary to protect the interests of the people and "defend the people's will."

Mr. Yeltsin appeared, however, to be doing everything else he could to hinder his opponents. City police enforced his ban on the hard-line National Salvation Front by denying it access to a meeting hall, forcing the group to hold a news conference on the snow-covered street.

LAGOS Delays Return to Civilian Rule

LAGOS (AFP) — The military regime of President Ibrahim Babangida announced Tuesday that Nigeria's return to civilian rule would be delayed until August.

Vice President Augustus Abacha told the diplomatic corps at a briefing that the presidential election, originally scheduled for Dec. 5, would not be held until June 12, and that the handover of power to an elected government would take place Aug. 27, not Jan. 2.

The delay followed the annulment of presidential primaries held in September that were marred by widespread charges of vote-rigging.

Correction

An article Tuesday inaccurately reported on the illness of Lee Hsien Loong, a deputy prime minister of Singapore. Three polyps removed from his rectum contained intermediate-grade malignant lymphoma — a cancer of the lymphatic system. This type of lymphoma is amenable to chemotherapy treatment, with a high probability of cure.

TRAVEL UPDATE

Strike Engulfs Paris Commuters

PARIS (AFP) — Parisians and suburbanites struggled Tuesday with the first of a planned series of strikes by subway, rail and bus drivers, despite a decision by the public transport authority to freeze a reform plan against which unions are protesting.

The strike call was generally well observed by the drivers of Metro and RER suburban trains, from 5 A.M. to 7 A.M. and again from 7:30 A.M. to 9 P.M. Further strikes calls have been issued for all week-days through next Tuesday, and no date has been set for halting the series of stoppages.

The authority wants to modify working hours, decentralize labor discussions, and no longer base promotions on seniority alone.

It has 3,400 drivers for the Metro and RER rail lines, out of a total of 38,000 employees. The authority, known as the RATP, carries about nine million passengers a day, six million on the subway and the RER and three million by bus.

Workers on the London Underground voted to strike starting Tuesday to protest job losses. Management has said it will discuss striking workers and said it expected the system to be operating.

Unions of Japan Air Lines, Japan Air System and Air Nippon threatened strike action this week if winter bonus negotiations with management collapsed, union officials said Tuesday. Company officials said they expected to operate a normal schedule Wednesday although some domestic and international flights could be hit Thursday.

Negotiations at Indian Airlines to end a dispute between pilots and management broke down Monday in New Delhi, raising the threat of a disruption of services.

Panama Vote Is Break With Leader and Bush

Compiled by Our Staff From Dispatches
PANAMA CITY — Panama's harmony with the presidency of Guillermo Endara and his main sponsor, the Bush administration, is officially over, opposition politicians asserted Tuesday, following the overwhelming rejection of a constitutional reform package in a referendum.

After the 1989 U.S. invasion that resulted in the capture of Manuel Antonio Noriega, the nation is looking for a new leader whose image is not tainted, as is Mr. Endara's. The president was hastily installed in a ceremony at a U.S. base.

"We hate to see the way the Bush administration imposed things on us," said Ernesto Pérez Balladras, leader of the Democratic Revolutionary Party. "The main basis of support for Endara is the U.S. government. It remains to be seen whether things will be the same" under Bill Clinton, he said.

Mr. Endara's "total dependence on the United States," he said, "shows so badly that our journalists will step all over themselves to get an interview" with Ambassador Deane Hinton.

"They don't bother with Endara," Mr. Pérez added. "They want to know what the boss thinks."

A telling factor in the referendum, that lost by a 2-to-1 margin, was that nearly 60 percent of the electorate abstained. "I think there is a mood of disappointment," said



Jordanian members of the UN peacekeeping force praying near Mouska, between Croat- and Serb-held territory in Yugoslavia.

Anti-Mafia Dragnet Catches 75 in Italy

Anti-Mafia Dragnet Catches 75 in Italy

By Alan Cowell
New York Times Service

ROME — The Italian police arrested more than 75 suspects, including businessmen and local politicians, in Sicily and other parts of the country Tuesday in what law enforcement officers termed the biggest coordinated crackdown on the Mafia since 1984.

Italian television showed footage of armed police kicking down farmhouses doors and rounding up suspects in convoys of squad cars. The roundup, which began Monday night and continued Tuesday, was code-named "Operation Leopard."

Police officials said more than 200 arrest warrants had been issued, covering about 120 suspects on the loose and 81 already in jail, now charged with additional felonies. Another 100 people were told they were under investigation for crimes including association with the Mafia, extortion, electoral fraud and bribery.

By late afternoon Tuesday, about 45 people had eluded the dragnet of 2,000 law-enforcement officers.

The arrests followed other police action earlier this year against the Mafia following the murder of two senior anti-Mafia investigators, Giovanni Falcone and Paolo Borsellino.

The murders apparently spurred law enforcement agencies into action, leading to the arrest in September of a highly-placed mobster, Giuseppe Madonia, and the detention of three Sicilian brothers charged from Venezuela to face charges of money-laundering.

While warrants were issued for the arrest of Salvatore Riina — the presumed "boss of all bosses" of the Sicilian Cosa Nostra — and other leading mobsters, there was no word that they were among the detained. Neither was there any suggestion that those who were arrested were directly connected with the murders of Judges Falcone and Borsellino, both killed by car-bombs in Palermo, Sicily's capital.

Giovanni Tinella, a senior investigating magistrate in Sicily, said several of those arrested had held positions as mayors and deputy mayors in Sicily and that others were business people involved in public-works contracts.

EUROPE: 'Big Bang' Spending

(Continued from page 1)
would not care if the Community were disbanded.

"The Community always gets in trouble during times of economic stress," Mr. Delors said in an interview. "Just think back to the 1973 oil crisis when the members went their separate ways. But this time, recession has coincided with the revival of nationalism, and this malady has proved very contagious."

Mr. Delors' aides acknowledge that he became depressed and frustrated by the Community's troubles in recent months. Yet, he seems resigned to being chastized as a scapegoat at a time when virtually every European government faces serious domestic challenges and wants to look elsewhere for somebody to blame for those problems.

Mr. Delors also has been bruised by attacks in the British press and from fellow commissioners that have cast him as the bogeyman who is blocking a settlement with the United States on a farm subsidy dispute that could clear the way for a global trade agreement. He has denounced as "scandalous" those accounts that contend he has intervened on behalf of French farmers to preserve his ambitions to succeed François Mitterrand as the French head of state.

Mr. Delors criticized the U.S. decision to impose tariffs of as much as 200 percent on \$300 million of European exports, mostly French white wine, unless an accord is reached on the trade subsidy conflict by Dec. 5.

"It complicates our task by making it much more difficult to find a compromise," Mr. Delors said. "The Americans need to know there is a point where we cannot go further. We can't let prices fall so brutally or let one-third of our farmland become desert. There are already threats to public order from the farmers in two or three European countries."

Nonetheless, Mr. Delors now expresses hope that some kind of breakthrough will be achieved when U.S. and EC negotiators resume bargaining this week. The EC commissioner for external affairs, Frans Andriessen, and its farm commissioner, Ray MacSharry, are to arrive in Washington on Wednesday for a make-or-break round of negotiations.

Meanwhile, Mr. Delors says he is focusing on how to break the morose mood that has settled over the Community and provide a new sense of direction. The first task, he says, is "to help the Danish and British governments pass the Maastricht treaty" even if the EC Commission's best contribution

GERMANY: Asylum Battle

(Continued from page 1)
on what criteria it should be based.

The United Nations High Commissioner for Refugees has refused to play any role in the preparation of a list.

Most hard-line is Mr. Kohl's conservative ally, the Christian Social Union. Endara and his main sponsor, the Bush administration, is officially over, opposition politicians asserted Tuesday, following the overwhelming rejection of a constitutional reform package in a referendum.

After the 1989 U.S. invasion that resulted in the capture of Manuel Antonio Noriega, the nation is looking for a new leader whose image is not tainted, as is Mr. Endara's. The president was hastily installed in a ceremony at a U.S. base.

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Naval Embargo on Yugoslavia Looms

Compiled by Our Staff From Dispatches
BRUSSELS — An embargo giving naval vessels the authority to stop and search ships suspected of breaking sanctions against the former Yugoslavia should be in force by next week, the head of the Western European Union said Tuesday.

"I expect this to come into operation very soon, not later than next week," Willem van Eckelen, secretary-general of the nine-country defense grouping, said after the United Nations Security Council voted for the embargo on Monday.

The United States also intends to commit "significant" ships and planes to the blockade, according to a senior U.S. official, but the Europeans are likely to provide the majority.

"NATO has initiated consultations on its response to the UN decision, and decisions are expected to be taken within the next few days," the organization said in a statement.

The Security Council, in voting to impose the naval blockade, for the first time added enforcement provisions to trade sanctions that were adopted in May against the Serb-led Belgrade government. The vote, following a two-day debate in the 15-member council, was 13 in favor with 2 abstentions, China and Zimbabwe.

The new resolution imposes a blockade on both the Adriatic and the Danube, which by law is an international waterway.

Vessels suspected of carrying illegal supplies can be stopped and inspected. The resolution authorizes the use of force, but without specifying under what conditions.

In addition, shipments of strategic supplies can no longer be shipped across Serbia and Montenegro without being inspected by UN monitors.

Among other goods, crude oil, natural gas, aircraft, vehicles, metals, tires, motors and coal will be affected. (Reuters, NYT, AP)

Major Vows Inquiry on Iraqi Arms

Reuters
LONDON — Prime Minister John Major on Tuesday dismissed allegations that he had ordered British arms sales to Iraq as "scurrilous," while prosecutors ordered a police inquiry into a former minister at the center of the controversy.

The Crown Prosecution Service said it asked the police to investigate "inconsistencies in the evidence" of a former trade and defense procurement minister, Alan Clark.

Mr. Clark said he had no comment on the inquiry. His testimony last week that the government knew of and acquiesced in arms sales to Iraq, along with 500 pages of secret documents released to the court, led to the acquittal of three

businessmen accused of breaching an arms embargo on Iraq.

The collapse of the case against an Iraqi-owned machine-tools manufacturer, Matrix Churchill, led to opposition charges that the Conservative government had connived to breach the embargo by arming Saddam Hussein in the 1980s and that ministers tried to cover up government involvement.

Mr. Major strongly defended himself on Tuesday against charges that he and his ministers had repeatedly misled Parliament.

"The suggestion that ministers misled the House is a serious charge, a scurrilous charge, and it has no basis whatsoever in fact," he said.

In his angriest outburst over the Iraq issue, Mr. Major said he had appointed a judicial inquiry that would look at all aspects of government conduct, including his own.

"There is nothing that will not be fully examined," Mr. Major told a rowdy Commons session.

The prime minister was also criticized for refusing to accept a group of Bosnian refugees stranded on the Austrian-Slovene border.



Peter Cullenhammar, Chairman, Volvo

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TRANSITION/ GETTING DOWN TO BUSINESS

★ POLITICAL NOTES ★

An Optimistic Goldwater Offers to Aid Clinton

PHOENIX, Arizona — Barry Goldwater, the dean of American conservatism, thinks Bill Clinton will do a good job as president and has offered to help.

"I think Clinton, a young man, will do a good job," said Mr. Goldwater, who is 83. "I think so. I've offered to help him if he thinks an old man like me can help, and we'll just wait and see."

In an interview on the ABC "Good Morning America" program Tuesday, the former Republican senator from Arizona also criticized the Bush-Quayle re-election effort as "a hell of a bad campaign."

Mr. Goldwater, who suffered a landslide loss in his 1964 presidential bid, said if President George Bush had "continued to campaign after the war in the Persian Gulf, he would have won it."

"But he quit campaigning," Mr. Goldwater said. "He had a bunch of idiots in the White House advising him and, while he carried Arizona, as every Republican has done since I can't remember when, it was a bad campaign." (UPI)

'No Thanks' on Flight and Lodging, Mr. Bush

WASHINGTON — President-elect Bill Clinton has turned down an offer of a military plane and government accommodations when he travels to Washington this week to meet President George Bush, White House officials said Tuesday.

"He said, 'Thanks, but no thanks,'" said one official involved in the planning for the meeting between Mr. Clinton and Mr. Bush, set for Wednesday afternoon.

Mr. Bush extended the offer of a government jet to bring the president-elect and his wife, Hillary, to Washington for their three-day visit beginning Wednesday, as well as offering Blair House, the presidential guest house across the street from the White House, for them to stay in.

But officials said Mr. Clinton had rebuffed the offer, apparently because of the costs involved, and planned instead to charter a private plane and stay in a Washington hotel. (UPI)

Quote/Unquote

Bill Clinton: "One of the things that has gotten presidents in trouble in the past, big time, is having people around them who were afraid to disagree with them, even in private." (AP)

Away From Politics

- A bill to help uninsured people buy private health policies has been approved by the New Jersey Assembly. The measure heralds a major change in health insurance. It would require the state's 427 private insurers to enroll all applicants, regardless of their age, sex or health.
- American Catholic bishops elected Archbishop William H. Keeler of Baltimore as their president for the next three years. Archbishop Keeler won on the first ballot, with 176 votes, as the National Conference of Catholic Bishops in Washington chose from among 10 nominees.
- California consumers have an ally to help defend their privacy from the onslaught of junk mail, annoying telephone sales calls and errors in their credit reports. The University of San Diego's Privacy Rights Clearinghouse began a toll-free hot line to advise consumers how to keep personal information private.
- Pregnancies reached a record in the 1980s, apparently because women from the U.S. "baby boom" generation finally had their own babies, according to government figures. The number of pregnancies reached 6.3 million in 1988, a 7-percent increase over 1980, the Public Health Service said in a report covering 1980 to 1988.
- A mild earthquake struck southeast Canada, causing no reported injuries or damage but rattling a wide region that included New York state. The U.S. Geological Survey said a quake measuring 3.5 on the Richter Scale hit an area centered 40 miles (65 kilometers) northeast of Ottawa.
- Clark M. Clifford was a delay in the BCCI trial case. A New York state judge postponed a decision on whether to dismiss charges against him. State Supreme Court Justice John Bradley ordered a hearing for doctors to testify on whether the former defense secretary, 83, is too ill to stand trial. He ruled that Mr. Clifford be examined by a physician chosen by New York prosecutors before the hearing.
- Two Columbian pleaded not guilty to trying to import drugs in dog kennels made from a mixture of cocaine and fiberglass. The defendants, Henry Bustos and Harold Seitzel, were held without bail on federal charges in Santa Ana, California.
- Water experts predict a seventh year of drought in California, the longest dry spell in at least four centuries. And because of low water levels and new environmental requirements, the seventh year could be the most difficult, the experts warned. A dry or even average winter could lead to the resumption of mandatory water conservation. (NYT, AP, UPI, WP)



As the world kept focusing on the Clintons, news photographers focused Tuesday on Socks, the Clinton cat, in Little Rock, Arkansas.

A Determined Courtship of Republicans

By Adam Clymer
New York Times Service

LITTLE ROCK, Arkansas — When President-elect Bill Clinton promised cooperation with Congress, saying "Pennsylvania Avenue will run both ways again," his hopes were grander than mere cooperation with the Democratic leaders standing behind him.

He wants Republican votes for his proposals, too.

His assertion at a news conference Monday that "the Republicans know that the country voted for action, for an end to gridlock and an end to blame" could be dismissed as wishful puffery had he not made it clear to the Democratic congressional leaders that he intends to pursue Republicans, wooing the other party more aggressively perhaps than any president since Lyndon B. Johnson.

Senator George J. Mitchell, Democrat of Maine, the majority leader, said he had urged Mr. Clinton to work with some Republican senators, telling him they had as much interest in the good of the country as Democrats did.

One congressional aide said Mr. Clinton made it clear that he planned to invite Republicans to the White House — where Democrats were rarely invited to business meetings this year — and seek their views on how to structure some legislation.

He is not waiting for Inauguration Day. Last week he spoke by telephone with Senator Bob Dole, Republican of Kansas, the minority leader, who had saluted his victory with a furious attack on Mr. Clinton's slim mandate. This week he will be meeting the entire Re-

publican leadership at a bipartisan lunch in Washington.

Of course, the desire for cooperation does not guarantee its accomplishment.

Many Democrats are much more liberal than Mr. Clinton and may be suspicious of him if he is dealing seriously with Republicans. And most Republicans are much more conservative than he is. Beyond

that, the Democrats had both the White House and the Congress in their control with a new president coming in.

Sixteen years ago Tuesday, Mr. Carter had a group of Democrats down to meet with him at Lovejoy, Georgia, and the retiring House speaker, Carl Albert, did not bother to go.

This time they apparently discussed dozens of possible legislative issues, from economic stimulus to campaign finance. In 1976, they talked mostly about how much authority to give Mr. Carter to reorganize the federal government, and that had helped put him in office or his other legislative plans.

When the Democrats emerged from their meeting with Mr. Carter and said they expected cooperation, they really did not know what they expected to cooperate on. In the end, they did not cooperate very much.

NEWS ANALYSIS

ideology, moreover, there is inherent constitutional tension between the two rival branches.

But Mr. Clinton appears to be coming on Congress's sharing his sense that government is on the defensive.

He may have a little bit of success to claim already, in the muted partnership Mr. Dole displayed Sunday on the NBC News program "Meet the Press." The Kansas pro-claimed himself interested in cooperating where he could and even offered the helpful thought that Mr. Clinton should not try to do too much in his first 100 days or else he could end up "on a reef."

There are two plausible motives behind Mr. Clinton's shift, and neither is Mr. Clinton's charm. One is that Mr. Dole got a lot more criticism than he expected for his early pledge to block "swirl" Clinton proposals and for his insistence that he could represent the 57 percent of voters who did not vote for the Democrat.

The second is that Mr. Dole is happiest when he can legislate, when he can help forge a compro-

Leaders of Industry Say They're Bullish About Clinton Plan

By Paul F. Horvitz and Robert C. Siner
International Herald Tribune

WASHINGTON — The leading business group in the United States offered a surprisingly positive outlook Tuesday for the advancement of its concerns about trade, technology and the economy under a Democratic administration headed by President Bill Clinton.

"I am not fearful of the new administration in any way, shape or form," said William Archey, senior vice president for policy of the American Chamber of Commerce.

Mr. Archey said a recent survey of 1,500 business leaders in five major U.S. cities found far more hope for economic revival under a genuine partnership between business and government than in a similar survey taken a year ago during the tenure of President George Bush.

The planned creation of an Economic Security Council in the White House and new attention to education, global competitiveness and high-technology research, including telecommunications, drew special praise from chamber officials.

The chamber's reaction was significant in part because the American business community tends to be overwhelmingly Republican. Mr. Archey drew a sharp distinction between previous Democratic presidential nominees and Mr. Clinton, saying the president-elect, a Democrat, upholds "a philosophical point of view which is not necessarily adversarial to business."

Chamber officials in Arkansas, Mr. Archey reported, had an "extraordinarily positive" view of Mr. Clinton, who has been governor of that state for 12 years.

"The general view of the business community in Arkansas was

this was an accessible governor who was extremely sophisticated about business issues and gave them a hearing," Mr. Archey said at a news conference.

The chamber, the leading business lobby in Washington, expects contentious debate on a number of labor, trade, health care, environmental, regulatory and tax issues. But it found substantial common ground with the ideas presented during the campaign by Mr. Clinton and Senator Al Gore, the vice president-elect.

In a related area, the director of Mr. Clinton's transition team, Warren M. Christopher, announced Tuesday that the former two-term governor of South Carolina, Richard Riley, will be responsible for setting up pools of potential appointees to the thousands of top-level posts below cabinet rank in the new government.

The former governor, a long-time friend of the president-elect, visited Mr. Clinton on Monday night. He has been mentioned as a possible cabinet appointee or White House chief of staff.

Assessing international business issues, chamber officials noted that Mr. Clinton would face several crucial deadlines in the first six months in office, including ones related to achieving a world trade agreement, renewing U.S. trade laws, determining whether China should have its favored trading status renewed, and dealing with the residue of the U.S.-European dispute over oilseed.

Willard Workman, the chamber's vice president for international policy, said Mr. Clinton's agreement under the General Agreement on Tariffs and Trade, or GATT, was "the biggest single thing that could be done to get the world economy moving again."

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'Narrow Minded' Image Dogs the Losing Party

By Thomas B. Edsall
Washington Post Service

FONTANA, Wisconsin — Republican governors and key party leaders meeting here have been told that the party's conservative image is alienating many voters.

Two Republican poll-takers, Neil Newhouse and Bill McInturf, said they found in surveys and focus groups that conservatism — the bedrock philosophy of the Republican Party since the 1980 election of Ronald Reagan — had developed negative associations for many independent and Democratic voters, who have been attracted to the Republican Party in the past.

Phrases the independent and Democratic voters said they have come to associate with conservatism included "narrow minded," "right wing," "more or less well off financially, and don't give a hoot about anyone," "restrictive" and "rigid, not flexible."

In addition, Mr. Newhouse and Mr. McInturf reported that over the last year and a half, partisan identification with the Republican Party had fallen 12 percentage points, while Democratic identification was down 6 points. During this period, starting well before the formal campaign of Ross Perot, independent voter identification had

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Kurdish City Gassed by Iraq in '88 Stirs to Life

By Caryle Murphy
Washington Post Service

HALABJA, Iraq — The springtime before last, when the mountain snows began to thaw around this ill-starred Kurdish city, the Iraqi military also melted away. Since then, a stream of traffic has poured into Halabja carrying long-exiled residents hoping to reclaim and rebuild what they lost. Others came on a different errand: to see for themselves the site of what is believed to have been the worst chemical weapons attack against a civilian community since use of such weapons was outlawed after World War I.

On March 16, 1988, in an attempt to dislodge an Iranian force that, with Kurdish rebels, had captured this strategic border city 24 hours earlier, Baghdad bombarded it with mustard gas and nerve toxins. More than 5,000 local people died after being blinded, scorched or asphyxiated by the gases.

Today, Halabja looks as if it had been hit by an earthquake. "What can one think when you see everything destroyed," said Rasoul Rasheed Mohammed, who lost his home. "I was angry. To be a refugee in your own place is difficult to accept."

Most of Halabja's primary schools have been rebuilt with help from overseas aid groups. A large white building gleaming in the sun is another source of pride here. "It's my secondary school, and it was destroyed completely. They rebuilt it in one year," said Azam Murad, 28, a translator who led visitors on a tour of his hometown.

Emirates Seek a U.S. Spy Satellite

By William J. Broad
New York Times Service

NEW YORK — The United Arab Emirates is shopping in the United States for a spy satellite, raising tough new questions about the intersection of economic and national security needs at a time when military contractors are hungry for work after the Cold War.

Dr. Peter D. Zimmerman, a reconnaissance expert at the Center for Strategic and International Studies, a private group in Washington, said the nation might want to share the imagery with its Arab allies, but he judged it as having little direct military usefulness for the small nation.

The deal would have an American company make, launch and operate the orbiting spy craft for the emirates. Federal officials, who have wrestled with the proposal for a half year, is said to be bitterly divided and has not yet issued an export license.

Mr. Pike agreed. "It probably comes down to a calculation of what is going to enhance their status more in the Arab world," he said, "buying another squadron of jet fighters or being the first kid on the block with a spy satellite."

AMERICAN TOPICS

Smokers Less Likely To Survive Strokes

Smokers' hearts are starved for blood during times of physical and emotional stress because of previously unsuspected damage to tiny blood vessels caused by smoking, a University of Iowa study shows.

Short Takes

A medicine that inhibits the manufacture of uric acid in humans has been found to prevent it in cockroaches as well. The drug, called allopurinol, wipes out whole populations of roaches. Allopurinol has been alleviating gout in humans for 30 years by slowing secretion of the acid that contributes to the painful joint condition.

Peter Jacobsen, the professional golfer, says one difference between professional and amateur golfers is that "when a pro hits it to the right, it's called a fade. When an amateur hits it to the right, it's called a slice."

Arthur Higbee

20% in U.S. Said to Be Anti-Semitic

By John J. Goldman
Los Angeles Times Service

NEW YORK — Anti-Semitism has been slowly declining over the last 23 years, but one in five adult Americans still hold deeply prejudicial views of Jews, the Anti-Defamation League reported in a survey.

reotypes, but there remains a core of about 35 million to 40 million people who are unquestionably prejudiced.

Black Americans (37 percent) are more than twice as likely as whites (17 percent) to fall into the survey's "most anti-Semitic" category. This marked a decline from a similar poll in 1964 that found 45 percent of blacks showing a clear prejudice against Jews.

Army Hired Killer to Compromise ANC, Panel Says

By Paul Taylor
Washington Post Service

JOHANNESBURG — The South African Defense Force hired a convicted murderer last year to lead a covert operation aimed at compromising members of the military wing of the African National Congress by using prostitutes, drug dealers and homosexuals, according to a government-appointed investigation panel.

Mr. de Klerk made a historic move by lifting a ban on the ANC, the nation's largest anti-apartheid organization, and joining it in planning negotiations for a new non-racial constitution.

The panel's findings did not state whether any members of the ANC military wing were compromised. They did note, however, that the

dirty tricks team had access to police department computer records, immigration files, housing authorities, voter information rolls, credit bureaus, revenue office files and an independent group of telephone tapping experts.

Mr. de Klerk consistently has denied the existence of a third force.

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Rifle Lobby Halts Attack On California's Gun Law

SACRAMENTO, California — Fearing that the Supreme Court would refuse to hear its case, the National Rifle Association has quietly abandoned its two-year federal challenge of the California ban on military-style assault guns, a top association executive said.

The convicted murderer, Ferdi Barnard, denied Tuesday that military intelligence had accepted his proposals to subvert the ANC.

The ANC called on the government to make public immediately all covert military operations.

Justice Goldstone said that Mr. Barnard devised a plan calling for ANC military members to be "criminally compromised" through the use of prostitutes, homosexuals and drug dealers.

Mr. Barnard was dismissed by Military Intelligence in December 1991 following an article in an Afrikaans-language newspaper, Beeld, on some of his activities.

PARIS — The two main environmental parties in France signed an accord Tuesday to join forces for parliamentary elections expected in March in an effort to capture leftist territory from the sitting Socialist Party.

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Currency: \$1 equals .65 pounds.	Customs: Foreigners can claim refunds on the 14 percent value-added tax on large purchases by having their receipts stamped at Customs.
Neighborhoods: The City of London proper is the eastern business district, where banks and financial houses, as well as Saint Paul's cathedral, are found.	Currency: \$1 equals 1.58 Deutsche marks.
Following the curve of the Thames, this shades into the West End, which includes the theater district, Piccadilly Circus, Leicester Square and Soho. Buckingham Palace, the Houses of Parliament and Whitehall are in Westminster, with its famous abbey, parks, shopping streets and luxury hotels.	Neighborhoods: Mitte is Berlin's former and present downtown, including the Museumsinsel and its clutch of world-class museums, and the gracious Unter den Linden boulevard, which runs from the Brandenburg gate to the Alexanderplatz. In the west, the Kurfürstendamm/Taunentzien remains the main artery for shopping and strolling.
Doeklands, to the east of the City, is the new commercial district.	Charlottenburg, Wilmersdorf, west Schöneberg and Zehlendorf are gracious residential areas. Some green refuges are the capacious Grunewald park and adjoining Wannsee lake.

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BERLIN	DECEMBER 18: The Nutcracker, Deutsche Oper Berlin. Tel. 34 38-1
BERLIN	JANUARY 22-31: International Green Week Berlin, Messegelände. Tel. 303 80
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In Poignant Ceremony, Hanoi Offers Mementos of War Dead

By Thomas W. Lippman
Washington Post Service

HANOI — Social Security Cards, photos of girlfriends and little boys back home. Drivers licenses, love letters, prayer cards. A training manual entitled "Survival." All were collected by Vietnamese troops from dead GIs a generation ago and turned over to a U.S. Senate delegation Tuesday in an emotional meeting at the Military Museum here.

Colonel Pham Duc Dai, 64, the director of Vietnam's military museum, handed over plastic bags of flight suits. He delivered the battered leather-bound diary of a U.S.

pilot and the yellow immunization cards and volumes of photographs of meticulously cataloged gear and clothing that once belonged to U.S. troops.

In a final gesture, Colonel Dai produced a black and yellow flight helmet that he said Senator John S. McCain 3d, Republican of Arizona, was wearing when his plane was shot down and he was taken prisoner in 1967.

Suddenly, Vietnam's long-accrue military is providing information that could help close the books on the fate of the 2,265 U.S. servicemen still listed as unaccounted for from the Vietnam War. Senior government officials told

members of the Senate Select Committee on POW-MIA affairs that Hanoi wants friendship and even partnership with Washington, and will go to extraordinary lengths to get over the last remaining hurdle, the POW-MIA issue.

President George Bush and President-elect Bill Clinton have made normal political and trade relations with Vietnam contingent on a convincing accounting for missing GIs.

On Tuesday, Foreign Minister Nguyen Manh Cam delivered five documents that Pentagon investigators have been seeking since last spring: detailed records of U.S. planes that crashed or were shot down over North Vietnam. Many of those planes disappeared without a trace, members of the Senate delegation said, and Vietnamese records should clear up questions about the fates of their crews.

"We hope our efforts will continue and relations will be soon normalized — the sooner the better," Mr. Cam said.

Senators John F. Kerry, Democrat of Massachusetts; Hank Brown, Republican of Colorado, and Thomas A. Daschle, Democrat of South Dakota, along with Major General Thomas Needham, head of the Pentagon task force, were allowed to roam the Citadel, a Hanoi military enclave never previously visited by U.S. officials.

In an effort to persuade skeptics that the Vietnamese are serious about divulging the information they have — and that no live Americans are being held — the senators and Prime Minister Vo Van Kiet agreed in principle to set up a program of visits to Vietnam by family members of missing servicemen.

The two countries "want to work for a common objective, friendship, cooperation and better relations," Mr. Kiet said. "I see no reason why we should continue to have abnormal relations."

The military museum, just outside the Citadel, has become the repository for the all the records, photographs and "artifacts" from U.S. casualties that the Vietnamese are assembling. In one bare room, U.S. researchers are computer-cataloging the data.

In a small warehouse museum, Colonel Dai threw open closets full of U.S. flight suits and racks of M-16 rifles and other weapons.

He also gave Mr. Kerry his own diary from 1967, when he was an officer in South Vietnam. In it were details of an ambush in which four Americans were killed and children hid their bodies from helicopter-borne recovery teams. Mr. Kerry had the names of all four men — names that General Needham's team will check to see if they can at last be removed from the roster of the vanished.



KILLING SPARKS ANTI-U.S. MARCH — Kang Kum Rye, mother of a bar hostess who was murdered Oct. 28, weeping Tuesday at an anti-U.S. protest in Seoul over the killing. A U.S. soldier has been arrested on suspicion of killing Kang Yum Kum, 26, in the northern city of Tongduchon. About 500 protesters marched to within 500 meters of the U.S. Embassy before police blocked the way.

Singapore Rules Out Quick Shift In Leaders

Compiled by Our Staff From Dispatches
SINGAPORE — No immediate change in political leadership is planned following the announcement that the both of the country's deputy prime ministers — including the best apparent — have cancer, it was reported Tuesday.

The Singapore Broadcasting Corp. quoted Prime Minister Goh Chok Tong as saying that it would be "premature to take any decision on the matter now."

Mr. Goh announced Monday that Lee Hsien Loong, 40, and Ong Teng Cheong, 56, both had lymphoma, or cancer of the lymphatic system.

Prices on the Singapore stock exchange firmed Tuesday after plunging the day before on rumors about their ailments, which the government confirmed after the market closed. The Straits Times Industrial Index rose about 19 points Tuesday to close at 1433.65. The index had fallen nearly 33 points on Monday.

Mr. Lee started an 18-day chemotherapy treatment Monday, but was expected to return to work in a few days. An official statement said he had an intermediate-grade malignant lymphoma.

Mr. Lee, who also serves as trade and industry minister, acts as prime minister in Mr. Goh's absence from Singapore and was widely expected to succeed him. He is the eldest son of former Prime Minister Lee Kuan Yew, who served for 31 years before stepping aside in favor of Mr. Goh in 1990.

"For a country which has prided itself in carefully nurturing a leadership hierarchy and building business confidence, the announcement that both deputies are ill comes as a bombshell," a Western diplomat said. But he said it was too early to gauge the longer-term impact.

"For that we may have to wait six months or more," he said.

The elder Mr. Lee, 69, remains influential as secretary-general of the governing People's Action Party, and holds the title of senior minister in the cabinet. In an apparent demonstration of business-as-usual, he left Tuesday for the Philippines, where he was scheduled to confer with President Fidel V. Ramos and address the Philippine Business Conference.

Mr. Ong suffers from a low-grade malignant lymphoma. The statement said that doctors had recommended that no treatment be given at the present time.

(AP, AFP)

Cambodians Warn Of Attack on Rebels

Compiled by Our Staff From Dispatches

PHNOM PENH — The government asserted Tuesday that it had the right to launch offensives to retake areas captured by the Khmer Rouge guerrillas since the signing of the peace accords ended the civil war last year.

The government alleges that large areas of central and northern Cambodia have been captured by Khmer Rouge forces, an assertion that UN peacekeepers privately verify but publicly play down.

The Khmer Rouge and the Cambodian government were the main signatories to the Paris peace agreements, but they have not been carried out fully because the Khmer Rouge is not cooperating.

The UN secretary-general, Boutros Boutros-Ghali, said in New York that the United Nations should continue to prepare for Cambodia's national elections next spring even if the Khmer Rouge continues to refuse to take part.

Speaking of the Khmer Rouge, he said, "The Party of Democratic Kampuchea has clearly demonstrated that it is unlikely to change its attitude of noncooperation in the foreseeable future."

The 15,000 UN peacekeepers

and 5,000 other UN officials in Cambodia will have to redeploy to concentrate on preventing ceasefire violations and monitoring the movements of the Khmer Rouge. Mr. Boutros-Ghali recommended in a report prepared for the Security Council.

France has drafted a Security Council resolution that would threaten economic sanctions against the Khmer Rouge but not impose them immediately.

The draft resolution would authorize the UN Transitional Authority in Cambodia to establish border checkpoints in support of a decision by Cambodia's Supreme National Council to ban exports of logs, gems, and other items, diplomats said.

At a press conference in the Cambodian capital Tuesday, Ueh Kim An, deputy cabinet minister, said, "The Khmer Rouge have captured and conquered a number of villages and zones; therefore we have every right to retake these areas."

A government's inherent right to self-defense, he said, allow such offensives.

"The right to fight back means that we have to move back into areas under our control just at the time of the signing of the Paris peace agreements," he added.

"We have the right to fight back and to protect the rights of the civilian population." The commander of UN peacekeeping forces, Lieutenant General John Sanderson, has said the UN cannot determine which areas were controlled by which factions at the time of the signing of the peace accords in October 1991.

School Helps Indian Caste Out of a Bind

By Molly Moore
Washington Post Service

BURARI, India — At age 19, Salyanarayan was lured to a statutory workshop by a landlord who promised lessons in the art of stone carving, good wages and free food and housing.

For the next 11 years, Salyanarayan was kept a virtual slave, forced to work 18 hours a day with no pay. He was frequently beaten by supervisors and received irregular meals. The landlord even refused to allow him to marry and have a family.

Earlier this year he heard about an unusual school for bonded laborers like himself. He scrawled a desperate plea in a letter: "Please come and save me."

Now, at 30, Salyanarayan is learning to be a revolutionary. On a recent hot afternoon, he sat on a straw mat with 40 other bedraggled men, eyes glued to an energetic man pounding the air with his fists and shouting with evangelical fervor: "We will not endure exploitation and discrimination any more!"

In a tiny brick-enclosed compound called the Mukti Ashram, or Liberation Home, Kailash Sadyarthi, 38, is trying to spur a revolution against one of the most deeply embedded forms of discrimination in Indian society — a rigid caste system that labels its lowest-ranking members "untouchable" and condemns millions of poor men and women to lives akin to slavery.

He is at the forefront of a growing movement in India to rescue the country's poorest and most vulnerable citizens from stone quarries, carpet factories, farms and sweatshops, where they are bonded to labor contractors because of inflated financial debts incurred for food, housing or family crises.

But Mr. Sadyarthi has taken the movement

a step further. Now he is training men who have spent their lives as bonded laborers to wage a battle for civil rights.

Trainees from his Mukti Ashram, about 22 kilometers (about 14 miles) north of New Delhi, are returning to their villages across northern India, staging sit-ins at water wells where untouchables are forbidden to drink, demonstrating for higher wages and painting walls with revolutionary slogans such as "Bonded labor is a crime! We want freedom!"

"These are the lost people of Indian society," said Mr. Sadyarthi. "They are made to be slaves, so they don't think they're human beings like others. Throughout their entire life they have been exploited, tortured and victimized. They have never understood the concept of basic rights."

Untouchables make up about 25 percent of India's 850 million people. Mr. Sadyarthi's organization estimates that as many as 5 million adults and 10 million children, most of them untouchables, are bonded laborers. Nearly all the laborers are illiterate.

Even though the practice of bonded labor is illegal in India, it remains rampant because of limited government enforcement and the fear that makes many laborers hesitant to report illegal conditions.

In recent years, Indian courts have become active in pursuing cases against unscrupulous employers and have established financial programs to assist bonded laborers when they are rescued. But, according to Mr. Sadyarthi and other social workers, little of the government money ever reaches the hands of the rescued.

Mr. Sadyarthi, who is a Brahmin, the highest caste in India's hierarchical system, opened the Mukti Ashram 17 months ago, planning to provide vocational training for

men who had spent their lives crushing stones, planting crops or making carpets. He quickly discovered, however, that teaching manual skills such as welding, carpentry and tailoring was not enough. The Mukti Ashram had to convince the untouchables that the higher-caste people would buy their handiwork.

"It is very difficult for bonded laborers to merge into society, not only physically, but psychologically," said Mr. Sadyarthi, who has piercing eyes, a thick beard and a unruly thatch of black hair. "Untouchables feel they are outcasts of society because of their social status. How can they go to other people and sell their items?"

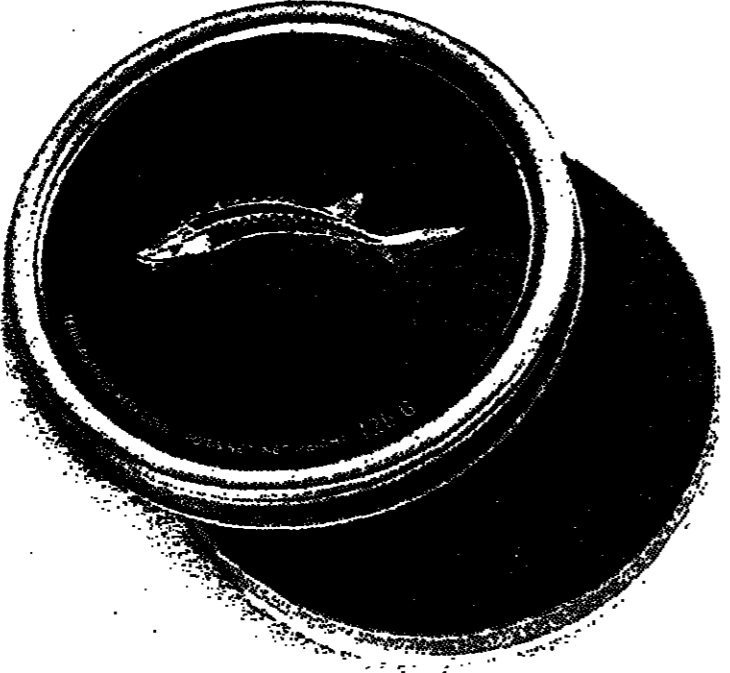
Mr. Sadyarthi and his staff lead songs, chants and native dances designed to instill a sense of self-worth in men who have been taught since birth that they have no worth.

The Mukti Ashram's graduates have met with mixed results when they have taken their new-found sense of justice home. Some have succeeded in opening the village water wells to lower castes and have won better wages. Others have encountered staunch resistance, and even violence.

Mr. Sadyarthi encountered opposition shortly after he opened the Mukti Ashram last year in an unused monastery. He was expelled six months later when villagers protested that he was training his students to "organize people in the villages."

He scraped together enough money to buy about six-tenths of a hectare (about 1.5 acres) of land nearby, and he reopened the community, which now enrolls 50 to 60 men in each three-month training program. Since May last year, he has graduated about 200 students, most of whom were rescued by social workers.

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INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

Yes, Jolt the Economy

With an uptick here and a rosy look there, the American economy gives faint signs of revival...

As a rule of thumb, growth must exceed 4 percent for two years to knock even one point off the unemployment rate...

—THE NEW YORK TIMES

Monitors for the Baltics

Boris Yeltsin has renewed "unequivocally" his pledge to withdraw all Russian troops still based in the Baltic republics...

Other minorities. And all have enacted laws and language requirements that infringe on minority rights...

—THE NEW YORK TIMES

The Next Step Is Assad's

Israel's prime minister, Yitzhak Rabin, complains that his Syrian counterpart, Hafez Assad, is undercutting their peace talks...

President Assad's famous trip to Jerusalem? What sort of "talking," for openers, accepting a requirement to address public assemblies...

—THE WASHINGTON POST

Other Comment

Deadline for the Khmer Rouge: One year after it was signed, the peace accord that ended fighting between the four Cambodian factions has been a failure...

keeping operation will end as a costly failure. Perhaps the mandate of UN forces in Cambodia ought to be amended from peacekeepers to peace-enforcers...

—Business Times (Singapore)

Toward a Salvadoran Peace

Key to the Salvadoran peace process are the demilitarization of the leftist Farabundo Martí National Liberation Front and the removal of army officers deeply involved in the "dirty war"...

—El Pais (Madrid)

Cartoon Notebook Working up a caricature



Marshaling Support: Clinton's Second Campaign

By David S. Broder

WASHINGTON — You can call it Bill Clinton's re-election campaign. The president-elect is down there in Little Rock not just sifting names for cabinet and White House staff positions...

overcome the feebleness of his 1960 victory, in which he received slightly less than 50 percent of the popular vote against Richard Nixon and the minor candidates.

Why he had not been able to pass Medicare, federal aid to education or a good many other domestic programs for which he had campaigned...

Clinton is the first Democratic president since John Kennedy to see his personal victory shadowed by a loss of party strength in Congress...

To Boldly End Welfare Dependency

By Daniel Patrick Moynihan The writer, a Democrat, is a U.S. senator from New York.

WASHINGTON — The Revenue Act of 1992, which President George Bush vetoed the day after the election, included a provision to begin the measurement and possibly the end of welfare dependency...

purchase power." This marked the acceptance of a previously disputed social responsibility. Congress also set up a Council of Economic Advisors and provided for an annual economic report...

The New York Times

A Plan for Global Growth: Where Bush Failed . . .

By Walter Russell Mead

NEW ORLEANS — The broad foreign policy failures of the Bush years will cause trouble for Bill Clinton, but the new president will be even more painfully harassed by the legacy of George Bush's international economic policy...

with its own economic philosophy. At a minimum, Mr. Clinton will probably have to ask Congress to extend his negotiating authority past its current cutoff date in March...

ing a global growth strategy. This is precisely what the Bush administration failed to do. Germany does not want domestic industries, the United States and Japan do not want high interest rates...

for domestic prosperity and international peace. He will have also done more than any Democrat other than Franklin Roosevelt to make his party the majority party in American life.

Take Care On Nearly New China

By Robert Elegant

XIAMEN, China — The last battle of the Chinese civil war was fought in this Communist-ruled coastal city opposite the Nationalist island of Taiwan in 1958. How times have changed...

These latter-day pilgrims now travel through Hong Kong, as did the television team, in defiance to the formal legal distance that still lies between the Chinese regimes in Beijing and Taipei.

Increasingly strong and assertive on the international stage, China is, nonetheless, fragile politically. The chances that the State Council's latest directive will be obeyed throughout the vast country are slim.

Washington should keep talking to Beijing in moderation, which is refraining from the tendency that frustrated the policy of President George Bush. It must maintain a major economic and military presence in the region...

1942: A 'Great Battle'

NEW YORK — [From our New York edition] President Roosevelt said last night [Nov. 17] in a radio speech that "the turning point of this war has at last been reached."

1917: Horror in Moscow

PETROGRAD — The fighting in Moscow, which commenced on the first day of the revolt, goes on still fresh and cruelly to the struggle. The latest news shows that the lack of food is increasing the horrors of civil war.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman. LEE W. HUEBNER, Publisher. JOHN VINOCCO, Executive Editor...

OPINION

A Conference About Hate? No Explanation Needed

By A. M. Rosenthal

NEW YORK — The first conference was held in 1990 in Oslo, a place of peace and civility. The second was in Moscow a year later, when communism was in its last days and hope in its first. Both times, people kept saying to participants, "Who needs such a thing — a conference on hate?"

Skinheads in France, synagogue desecrators in Rome. And when I got home from the conference I found a hand-delivered letter from a conservative Spanish friend. He wrote that when he left Madrid for New York on Nov. 14 he saw thousands of fliers, stamped with swastikas and commemorating the fifth anniversary of the "assassination" in prison of Rudolf Hess.

ON MY MIND

York. This time nobody asked whether there was any need to talk about hate, and what it can bring. Every day the news told us.

The conferences were created by one of those intangible things that take on tangible importance in the world — in this case the mind and memory of Elie Wiesel. The meetings barely mention the memories — the world of Auschwitz in which he was one of millions. But the force that brought teachers, academics, psychiatrists, scientists and officials to Oslo, Moscow and New York University was the conviction that is his life and work.

It is this: If what hate did in Auschwitz is forgotten, it will create other Auschwitzes for other generations and other peoples.

All hatred is local. The writer Stefan Kanfer said that at the conference, which was co-sponsored by Governor Mario Cuomo of New York. Yes, and I think that is because some group in the community lives in the one condition needed to draw the haters like vultures to dead meat: defenselessness.

Bosnians are murdered by their countrymen, and Scamalis, Gypsies, Liberians, Armenians, Kurds by theirs. In Eastern Europe and what was the Soviet Union, vilification and threat — the contemptuous dehumanization that must precede slaughter — are becoming part of political life. They are the heritage of those twin systems of government by contempt, communism and fascism.

At the table was Vitali Korotich, a brave and witty Russian, once the editor of the magazine Ogoniok. He teaches part of the year at Boston University. (It should get a medal for giving students the boon of learning from academic and journalistic fighters for freedom.) Mr. Korotich told me that on his wall is a clipping from a Russian periodical sponsored by the military. It is a list of Jews and "agents for the Jews" who should be killed. He is number 15.

West Europeans. How, living in the grace of freedom, can they tolerate and nourish hatred? They manage.

German Nazis — there is no such thing as a neo-Nazi — select their latter-day Jews from within their towns: foreigners who came in search of safety or work. But take heart: German officialdom has a simple solution to the attacks on refugees — cut back on refugees.

They were glued to every flat surface along a great avenue. "In all my years under Franco, I never saw such a shameless display," he wrote. "The monster is building up an appetite and we have to stop him . . . in every European capital."

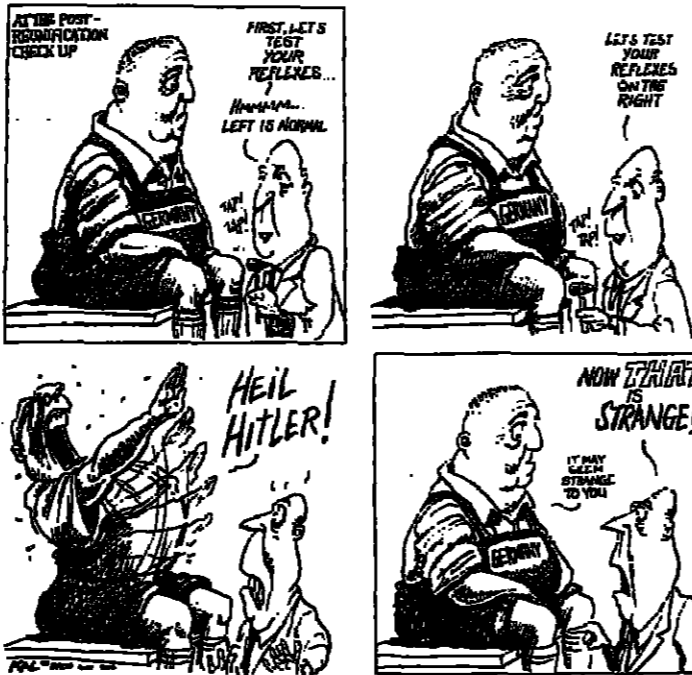
All hate is local. Memories of Yankel Rosenbaum, murdered during the pogrom last year in the Brooklyn neighborhood of Crown Heights, were in the room, too. So were all of us who believe that because of bias or fear the jury system failed in the acquittal of the man accused of killing him.

Mayor David Dinkins was on the dais. I do not agree with some of my Crown Heights friends that he is an anti-Semite or a coward. Police did not move fast enough when the pogrom broke out, or blanket the neighborhood looking for witnesses to the Rosenbaum killing. But I do not believe that the mayor ordered police to hold back.

I know many Jews in Crown Heights will remain angry with City Hall, but they will not burn down Crown Heights — a point worth mentioning.

The conference — some good speeches and resolutions, some less thrilling. Will they make any difference? I think so, maybe. At least people who read or hear or think about it will not be able to say, "We did not know." That is worth two days in New York.

The New York Times



The Rocks Hurt, but Mostly Germany Did Itself Proud

By Edward Serotta

BERLIN — The superintendent of my apartment building here is about four feet tall, and just as wide. She smokes small, cheap cigars, washes the stairs every Friday and has all the charm of a ham hock. She knocked at my door at 8 A.M. two Sundays ago and, through a haze of smoke, barked at me: "You going to that march against racism and anti-Semitism today?" I coughed, and nodded that I was. "Yeah, well, ya better be," and she turned to pick on my neighbor.

Ninety minutes before the march, I walked around the corner and into the subway station, which on Sunday is always empty. This day, however, hundreds were waiting for the train. When one came, it was so full that I waited for the next. It was even more packed. And another was worse still.

So I ran outside and grabbed my bicycle, which I rode to four blocks from the street where the march was to take place. I could go no farther because the streets were choked with people.

The predictions had been for 80,000 to 100,000 marchers. More than that were standing on my foot. And this in a country I hardly expected anymore to take a stand against neo-Nazis. I had been in several sparsely attended marches. At one condemning the bombing of a Jewish monument, a Berlin politician did not bother to show up, despite his promise to do so. At the Sachsenhausen concentration camp after the Jewish barracks were burned, not a single church leader from nearby Oranienburg appeared. There was

a bitter irony in this. During the Gulf War, more than 100,000 Germans had marched against the United States dropping bombs on Iraq. But for young Germans to throw Molotov cocktails at children inside Germany seemed to raise almost no one's ire.

But this day was different. The metro stops kept shoveling up people, side streets filled, buses unloaded passengers miles away. And Berlin being, well, Berlin, I made my way past several thousand men dressed from head to toe in black leather, a virtual forest of blue and green-haired punks, and a gaggle of aggressively blonde-haired grandmothers of the World Zionist Organization, all carrying banners. They

stood near a huge Turkish contingent.

Most of the marchers were ordinary middle-class families; babies sat on their fathers' shoulders, mothers held hands with daughters. One yuppie-ish father stood next to his 13-year-old son as the boy responded to a television reporter: "Foreign hatred? Oh, man! It's crap!"

The march began to move. I slithered through the throng and raced back to my bike, pedaling along on side streets to catch glimpses as this army, later estimated at 250,000 to 350,000 strong, traipsed over bridges and boulevards, carrying signs from Hanover, Hamburg, Leipzig, Halle and elsewhere. Meanwhile, Cologne was getting ready for a rock concert against racism, foreigner hatred and anti-Semitism. One hundred thousand people showed up. And thousands of others marched in Dresden, Saarbrücken, Mainz, Mannheim and Karlsruhe.

Yes, it was a particularly pathetic sight to watch President Richard von Weizsäcker surrounded by riot police catching eggs, tomatoes and stones meant for him. It was ugly, stupid and pointless. But that should not take away from the fact that on this 54th anniversary of the Kristallnacht, hundreds of thousands of ordinary Germans decided to stand up and be counted against hatred.

God knows this country has always had a blindness in its right eye. And Germany, like a picture lying in a tray of photographic chemicals, is in an ongoing process of development.

But when up to a half million people take to the streets to protest violence and hatred, they should be commended. To focus so thoroughly on the deeper meaning of the rock- and egg-throwing seems sadly off the mark.

The writer, who has published a book of photographs of Jews in Eastern Europe, contributed this column to The Washington Post.

LETTERS TO THE EDITOR

Passivity in Action

Regarding "This Western Neglect of Yugoslavia Is Obscene" (Opinion, Oct. 24) by William Pfaff:

The case is exactly the opposite. The West has been hyperactive in helping break Yugoslavia into desperate fragments. Led by Germany, which was first with success after its own renunciation, the so-called international community began by recognizing the secessionist republics of Slovenia and Croatia, thus encouraging further splitting of what remained of Yugoslavia.

Then the West recognized Bosnia, where the three communities were already highly polarized and ready to fall on one another. And that same West has been insisting ever since that Bosnia remain whole, no matter what. Why, in heaven's name, when America and West-

ern Europe took the splintering of Yugoslavia itself in such a cavalier manner?

Mr. Pfaff is correct in saying that the conduct of the Western world has been obscene. If, however, what we have seen so far is "passivity and indifference," then God save the Balkans if the West decides to become active and involved.

SVETIOZAR MILICHEVIC, Bangkok.

I am thoroughly disgusted by the lack of any effective pan-European pressure on Serbia. More prone to whealing and dealing — lots of talk and no action — the Europeans have never abandoned their cowardly attitudes of the 1930s. They simply cannot be bothered with these "faraway" countries of which they claim to know nothing.

VIRGINIA B. SVANE, Montpellier, France.

How long is the international community going to tolerate the presence of heavily armed Croatian soldiers on Bosnian soil? How about imposing a total embargo on Croatia?

PATRICK DURAND, Paris.

Women in Government

Your reports on who might or should be asked to join the Clinton cabinet seem to mention only men, with the exception of former Governor Madeleine Kunin of Vermont.

Can it be that hundreds of qualified women are once again being ignored due to the myopic practices that continue to cheat the United States of the talents of more than half its people? I am outraged by this possibility, but

am fully confident that with Bill Clinton and Al Gore, it will not stand.

RILLA A. MURRAY, Hilversum, Netherlands.

Unfold the Crossword

I'm afraid you deserve only half a pat on the back ("A Pat on the Back," Letters, Nov. 10): The paper's natural fold cuts the crossword puzzle in two. Couldn't you lower it a bit?

ROGER BERNARD, St. Etienne, France.

Can't you lower the crossword puzzle to the bottom half of the back page, so that it can be worked on more easily when the paper is folded into quarters?

M. B. C. DOV, Brussels.



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OMAN

Development With Long-Term Planning

This has been a year of reforms and progress throughout much of Arabia — free elections in Kuwait, the creation of a consultative assembly in Saudi Arabia and further discussions about reopening the national assembly in Bahrain. To some extent, Oman has set the lead in taking the road toward greater democratization.

Oman, the second-largest country in Arabia with an estimated population of 2 million, is gradually developing both its political and its economic systems through democratization, careful use of its oil and gas, and industrial diversification. It has also maintained a strong independent foreign policy, without getting out of step with its Gulf Cooperation Council neighbors.

Oman has lowered its barriers a little to encourage more foreign investment and participation in joint ventures, and has begun to encourage the carefully controlled development of tourism.

When H.M. Sultan Qaboos Bin Said Al Said heard many years ago that some of his people thought he was out of touch with their views, he took immediate action. He started to make long caravan journeys throughout the sultanate to meet the local administrative leaders, village elders and others. Under the ancient tradition of sultanate rule, each of his subjects has the right to bring any grievance to his notice.

Since Sultan Qaboos took over from his ailing father in 1970, he has succeeded in completely changing the country from a backward medieval state to a thoroughly modern society. There are schools, hospitals, health centers, telephones, light, power and, most important of all, water in virtually every town and village in the sultanate. A network of highways traverses the country.

With increased education and the elimination of illiteracy in the sultanate, Sultan Qaboos determined that he needed a more structured method of keeping in touch with his people. In 1981, the 51-member State Consultative Council was appointed to function as a "vital field for the interaction and integration between the opinions of its members and full integration and cooperation between the government and the citizens," according to the Sultan.

Two years ago, this was carried a stage further with the announcement that the consultative council would be transformed into a *majlis al-shura* (consultative assembly).

This became active one year ago with the appointment of 59 members, with a representative from each *wiyat* (district). Three candidates are nominated by the *wiyat*, and one of them is selected by a local committee of dignitaries. Those elected serve a three-year term of office. The assembly has the power to draft legislation on economic and social matters for acceptance by the appropriate ministries.

"So far [the organization] seems to be serving a very useful purpose and has been welcomed by the people," says an advisor close to Sultan Qaboos. This year's National Day celebrations today are being held outside Muscat for the first time (in the northern city of Sohar, where special facilities have been built for the occasion) to emphasize the government's aim to encourage districts outside the capital.

Oman is not a member of OPEC but closely follows its pricing guidelines. Oil production is around 750,000 barrels a day and brings in \$5 billion a year, 84 percent of the sultanate's foreign exchange and 45 percent of the gross domestic product. The government is now putting greater emphasis on exploiting gas resources, a policy which could lead to a number of downstream projects; a \$9 billion liquefied natural gas plant is to be built. Chrome, copper and other minerals are also being exploited.

A steady program of what the government terms "Omanization" is under way. "We have 400,000 non-Omanis working here," points out Maqboos Bin Ali Sultan, Oman's minister of commerce and industry. Under the current five-year plan (1991-1995), the government is trying to place 20,000 Omanis in jobs each year. "Theoretically, we can do this if we can also form more companies," says the minister. "But the real challenge we now face is training Omanis to take over the jobs done by non-Omanis. It also ensures we will have no unemployment," he adds.

Omanization has been particularly successful in the banking sector. "We now have 3,092 Omanis in banking out of a total of 4,444 persons," says Iqbal Ali Khamis, vice president of the Central Bank of Oman (CBO). The country has 22 commercial and three specialized banks whose total assets increased by 1.2 percent last year to Omani rials 1.6 billion (\$4.2 billion).

Oman is proud of the fact that it is one of the few countries to ensure that all depositors with the failed Bank of Credit and Commerce International's branch in the sultanate have been repaid in full. BCCI Oman had 11 branches and, following government support, it was taken over by Bank Dhofar Al Omani Al Fransi early this year.

The CBO has also tightened banking rules and regulations and improved general supervision by instituting more spot checks. "We are also trying to encourage more mergers as our banks have realized they must meet the capital-asset ratios required by the Basel agreement. So far, about 60 percent of our banks are doing this," says Hassan Ali Salman, CBO senior vice president.



H.M. Sultan Qaboos Bin Said Al Said.

Maintaining Oil And Gas Reserves

Oman is in no hurry to exploit its oil and gas reserves and has embarked on a farsighted conservative policy to maintain production levels over the next five years.

At the same time, it has begun a program to search for new hydrocarbon reserves. Gross income from oil is expected to reach \$5 billion by the end of the year, with an additional \$163 million from the sale of natural gas.

"Our daily oil production during 1991 was 708,000 barrels a day. Our production this year will be 750,000 barrels per day, and we shall maintain this level for the next five years," says Said Bin Ahmed Al-Shanfari, Oman's minister of Petroleum and Minerals.

"Our proven oil reserves are now 4.5 billion barrels. We hope to double our present reserves in the years to come by endeavoring to add to them at least the same amount as the volume of crude oil produced in the same year. As for gas, we have recently succeeded in nearly doubling our reserves, which have jumped from 9 trillion cubic feet to the present estimate of 17 trillion cubic feet. We have been very much encouraged by our success and hope to double our reserves in the near future," Mr. Al-Shanfari adds.

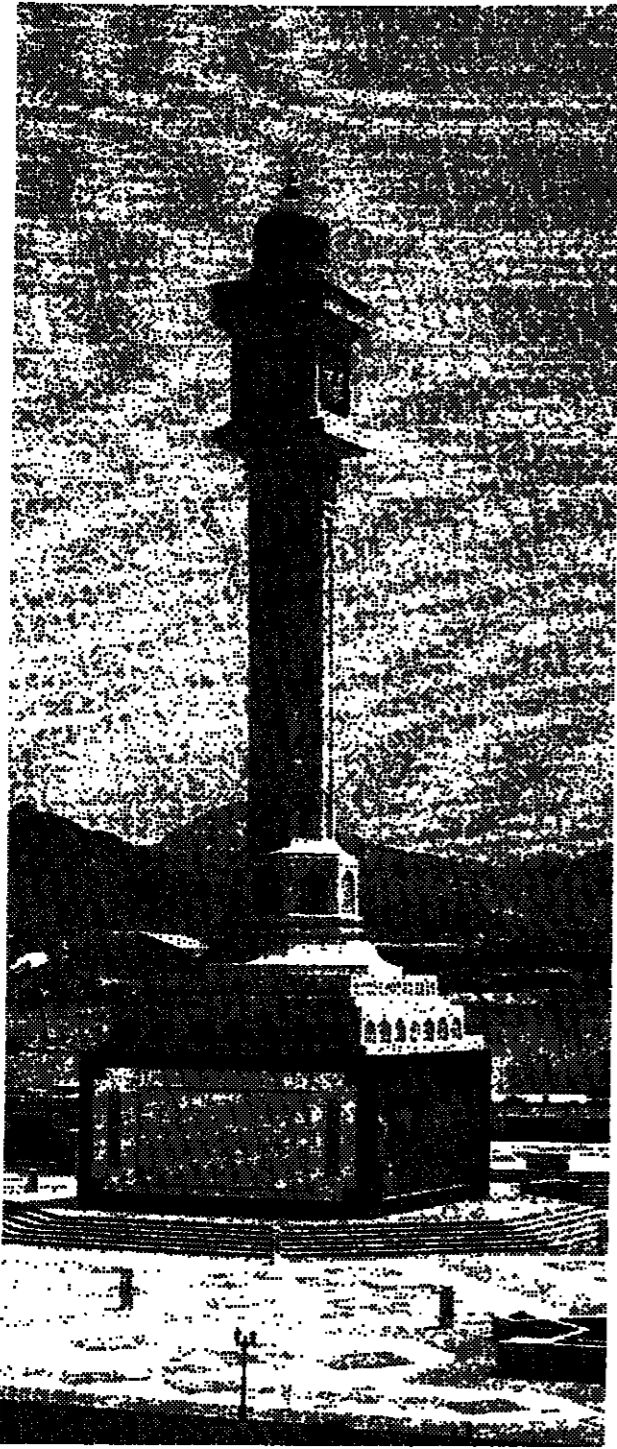
Oman's gas production has been steadily rising from 515 million cubic feet in 1991 to 560 million cubic feet this year and is expected to reach 640 million cubic feet in 1995. Commercial production of offshore gas and condensates from the Bukha Field in the Strait of Hormuz is expected to begin soon. A 1,300-metric-ton jack-up rig is being installed over the well. Future efforts to develop oil and natural gas are now being concentrated on shore.

Mr. Al-Shanfari says he still hopes that offshore efforts "will bear fruit in the future." A \$116.7 million gas exploration program to continue until 1996 has

found previously unsuspected gas reserves. In the Central Oman Fields area, a \$124 million appraisal drilling program is now under way. "And, in addition, the costs for the development of gas production facilities in the current fourth five-year plan (1991-1995) are anticipated at \$192 million," Mr. Al-Shanfari adds. Total investment in the integrated liquefied natural gas project is expected to be around \$9 billion, making it one of the largest projects ever conceived in Oman.

Gas will be piped from the Central Fields to a liquefaction plant to be built on the coast between Muscat and Sur in a joint-venture project involving the Oman Government and three Japanese companies (C. Itoh, Mitsui and Mitsubishi). Petroleum Development Oman (PDO), 60 percent owned by the government, will be the operator. Production is expected to reach 5 million metric tons a year, most of which will go to Japan, with some possibly going to Europe. The first shipments are to be made in 1999.

Oman is also taking advantage of its new gas discoveries to provide low-cost fuel for the expanding industrialization program. While the government is concentrating on PDO's exploration and development of gas reserves, it is investing substantial sums in its oil program as well, with \$159.2 million earmarked for oil exploration in 1992, plus \$180.1 million for production drilling and \$298 million for building new facilities. For the first time since 1986, PDO's total annual expenditure, taking into account all costs, has exceeded \$1 billion. Capital expenditure rose considerably because of the Lekhwaif Field development.



Modern landmarks in a striking landscape characterize Oman's cities.



Fruit sellers: small businesses are being encouraged.

Congratulations to His Majesty Sultan Qaboos Bin Said and the people of Oman on the occasion of the 22nd National Day



Just 22 years ago, Oman began a voyage in search of excellence. Under the wise and able leadership of His Majesty Sultan Qaboos Bin Said, nation building programmes were implemented. And today, Oman has sailed into the league of developed nations, with a booming economy.

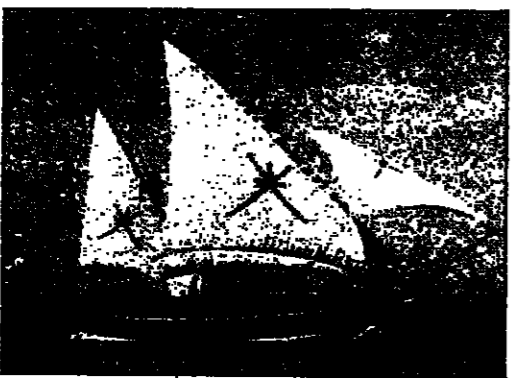
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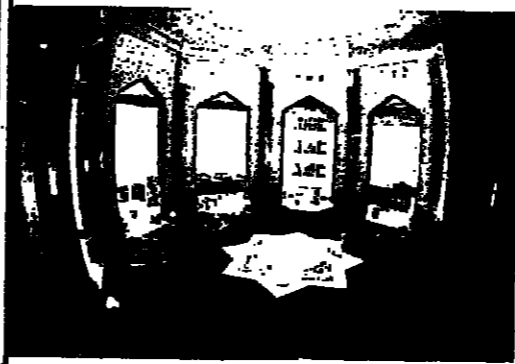
Sindhad the Omani sailor, famous for his courage and voyages of discovery... A legend recaptured by the 'Sohar', a replica of his historic dhow which completed an epic voyage to China, in the winter of 1980.

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ADVERTISING SECTION

ADVERTISING SECTION

Watchwords for Industry: Diversification and Exports

As an Omani businessman wishing to expand his activities, Abdul Karim is happy with what the Rusayl Industrial Estate Authority (RIEA) has given him: an ideal site for his new tomato-paste factory. "The big advantage in dealing with the RIEA is that everything is under one roof, and the authority gives us tremendous backup for starting new projects," Mr. Karim says.

Oman's leader Sultan Qaboos has declared 1992 to be, like 1991, a "year of industry," highlighting the government's commitment to encouraging industrial growth. Three planned industrial estates — RIEA and two others, at Sohar and Raysut — are contributing to the country's industrial development.

RIEA is expanding the estate to 200 hectares (494.2 acres) by 1995, when it hopes to have about 200 factories. RIEA, which now houses over 60 factories employing around 2,000 people, began in 1984 with only eight factories. "We have a 500 MW gas-fired generating station, and we can provide low-cost electricity and gas to our factories, which are ready-made shell buildings. We also provide water, drainage and sewerage as well as industrial waste disposal," explains Mohammed Al-Maskari, RIEA's promotions officer.

The estate authority can also help with technical and marketing advice. "We fight for our clients, we help to promote their products and we arrange management and sales courses. This is a one-stop shop for the Omani investor," Mr. Al-Maskari says.

There are now about 30 companies on the waiting list

for 13 ready-made factory buildings; another 22 buildings are being planned. Mr. Karim's tomato-paste factory, which will be the first of its kind in Oman, requires a 100,000 Omani rial (\$263 million) investment, of which 40 percent will be in the form of a soft loan from the government; he will also receive a grant from the government of OR 40,000 and will only be investing 20

Niche-markets are being sought

percent in his own funds. "We are taking 1,200 square meters [12,915 square feet] to begin with, but the site we have chosen can easily be expanded, and we will possibly double the size of the factory," Mr. Karim says. About 40 percent of his production will go to the local market, with the rest exported to other Gulf countries.

Mr. Karim's operation is one example of Oman's effort to diversify industrial production. "We are looking at all sectors of the economy and doing a number of studies to see which is the best direction for us to go," comments Maqbool Bin Ali Sultan, Minister of Commerce and Industry. He sees opportunities in food pro-

cessing, building materials and light manufacturing industries. "And then, of course, we may look more closely at the petrochemicals side because of our extensive gas reserves, more of which could be used as an energy source for industry."

One major project in the works is a chrome extraction and processing plant, expected to begin operations next year. The ministry is also planning more cement plants since the existing ones do not have sufficient capacity. Other projects being examined include processing gypsum and making refractory bricks, as well as an iron and steel foundry. Because of Oman's relatively small population (about 2 million), new industries need to be export-oriented, preferably with high-value-added products.

"We also have to look for niche-market opportunities — areas where there is not too much competition for us," Mr. Ali Sultan says. He adds that the private sector has a crucial role to play in industrial expansion. There are now about 4,000 established factories and businesses in the sultanate; 40 new plants went into production last year. The new businesses are being encouraged to invest in more high-tech plants that could be adapted for Oman's specific needs, and are advised to maintain strict quality and environmental controls.

Mr. Ali Sultan hopes that the emerging stock market will help to raise development capital. He also wants to see more foreign investment and joint ventures. "We are currently reviewing the foreign investment law, and by the end of next year, we should be able to offer a lot of investment incentives to foreign companies," he says.



Omanis working with Omanis: Abdul Karim (left) points out the site for his new plant in the Rusayl Industrial Estate.



Camel Trekking And Lost Cities

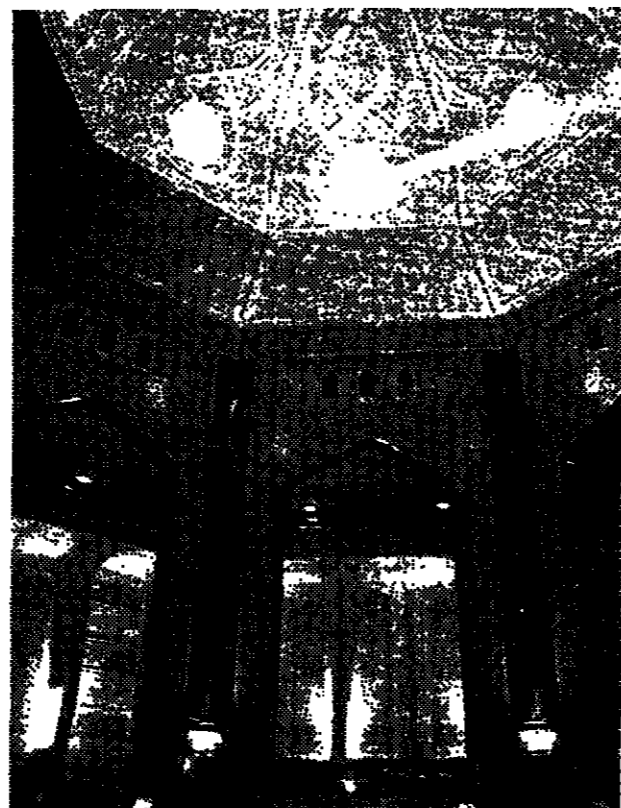
We stopped for a lunchtime picnic on the edge of a windswept gorge 9,000 feet up in the mountains on the slopes of the Jebel Al Shams, one of the highest points in Oman.

As we peered over the edge of the gorge, from out of nowhere appeared an Omani mountain woman in a vivid red shawl. Over her shoulder was a woolen bag from which she produced crude handmade shoes, a small leather purse, a tiny woven rug and spindles wound with multicolored natural dyed wools, all of which she offered for sale.

The Jebel Al Shams, about one-and-a-half hour's drive from Nizwa, the old capital of Oman, contains some of the most spectacular rugged scenery in the sultanate and is an ideal day's outing for visitors. Heidi Beal, who has lived in Oman for 13 years, runs her own tourist company, Wideyear, which organizes trips for small

groups either into the mountains or trekking through the desert. A dedicated environmentalist, she specializes in arranging holidays for limited numbers of people to minimize their effect on the Omani environment. One of her most popular ventures is camel trekking. "We take just the basic essentials, food and water, and try to live just like the local Omanis. Everything is carried on the camels — we have to be self-sufficient," she says.

Oman has much to offer the discerning tourist, and now that entry conditions are being eased, more European visitors are coming, mainly from Germany, Switzerland and France. The country contains many ancient sites,



Old and new: children at the "lost city" of Ubar; the ultramodern lobby of the Al Bustan Hotel, Muscat.

such as the dozens of Portuguese colonial forts and watchtowers that dot the countryside, where they once served to guard strategic passes through the mountains, as well as much older attractions. Most are in the south near Salalah — formerly

once the center of the frankincense trade. It is said to be one of the main towns on the old camel-train route running northward from Salalah through the "Empty Quarter" of Arabia and onward to what was known as the Levant coast, on the Mediterranean.

One site may be the lost city of Ubar

known as Khor Rumi, believed to be the main port in the time of the Queen of Sheba, from which frankincense was exported; the old fishing village of Taqa, with its typical Dhofari houses; and the ruined medieval Al Balad.

The most recent discovery attracting international interest in remnants of Oman's past is the so-called lost city of Ubar,

A recent archaeological expedition led by British explorer Sir Ranulph Fiennes has made some excavations at Shisur on the edge of the Empty Quarter, where a few ruined walls have been found around an oasis. More evidence is needed to confirm whether or not Shisur is the ancient site of Ubar.

"Whatever the truth," says one local businessman, "it is good for the tourist industry."

Building the Future: Local Firms Leading

One of Oman's most striking new shopping complexes is the Al Harthy shopping center near the Al Qurum traffic circle in Muscat. It is one of a number of projects in the works for Auscon, an Australian design consultancy that has been established in Oman for 15 years and has branches throughout the Middle East. It specializes in steel structures built using the latest technologies. One of its latest projects is a new hotel at Sohar, where Oman's National Day celebrations are taking place.

Auscon's other projects in Oman include the Alasfour shopping center and the Al Ghazali building, as well as highways and public utility systems.

Among local companies that have played a key role in the development of the sultanate's infrastructure is Qurum Contractors (QC). Formed 20 years ago, QC's projects have included construction of the Batina coast road, two industrial estates at Rusayl and Sohar, and a flood protection scheme for Muscat. It also built the imposing Al Zawawi

Mosque. Another established company closely involved with developing infrastructure projects is Al Mashrika Travo, a civil engineering firm.

A major landmark on Muscat's main highway is the striking head office and showroom of Al-Mutawah Trading, one of Oman's leading suppliers of building and construction materials. "We also provide all related services," says Suhail Shara-batt, managing director of the company, which was founded in 1976. With more than 100 employees, it is working on a number of large projects. It recently supplied \$18 million worth of iron pipes, valves and other equipment for Muscat's water supply improvement project.

One of Oman's major exporters is Zubair Furnishing, the country's leading furniture manufacturer. It has just furnished the new Sohar Hotel and has recently provided much of the furniture for the refurbished Al Ain Palace Hotel in Abu Dhabi, the Royal Abjar in Dubai and the Gulf Hotel in Bahrain, and has

received a \$27 million order to furnish Oman's Al Bustan Hotel, one of the most luxurious hotels in the Gulf, which opened in 1985.

Bahwan Automotive Center, with a turnover of more than \$800 million, has played an important role in recruiting local talent for its work force, which now numbers over 3,700. "Our target is to have 1,000 Omanis working in various positions within the group in the

near future," says Mohammed Saud Bahwan, president of the company, which represents some of the blue-chip names in the automotive and construction equipment fields, including Ford, M.A.N., Komatsu, Kubota and Kato. The company operates one of the most comprehensive spares and service networks in the sultanate. It also has a state-of-the-art facility for Toyota spares, with a satellite link to Tokyo.

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. It was written by Michael Frenchman, a free-lance writer based in London who specializes in the Middle East.

AL MUTAWAH BRANCHING OUT TO HELP OMAN TO GROW

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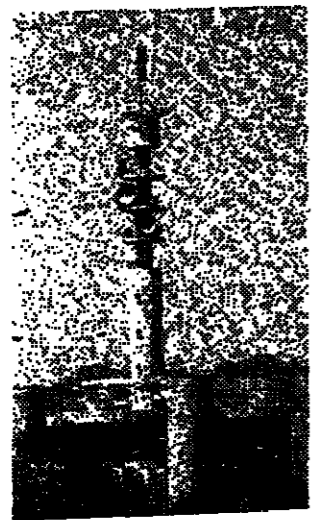
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Muscat's telecommunications tower.

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mail service available to everyone, not just those with pagers and mobile telephones. Communications have been a vital part of the development of Oman, with most of the country now linked to the

national telecommunications network. An agreement was recently signed for a study on expanding the final telecommunications link to the remote Musandam Governorate in the north of the sultanate.

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مكتبة القاهرة

A New-Age Dracula: The Victim

By Lloyd Rose
Washington Post Service

WASHINGTON — The vampire and the Frankenstein monster, those pop culture icons, were born on the same night — in 1816, at the Villa Diodati on the edge of Geneva, at the famous gathering of Percy Bysshe Shelley, Lord Byron, Shelley's wife, Mary, Byron's doctor, John Polidori, and the Gothic novelist "Monk" Lewis. It was the night Byron proposed each write a frightening story, and Mary Shelley, 17 at the time, obliged with "Frankenstein."

Almost nobody remembers that Polidori also produced a novel, "The Vampire," because almost nobody can get through it. Polidori's tale introduced the "modern" vampire — the blood-drinker in elegant evening clothes.

The vampire's latest incarnation is in Francis Ford Coppola's "Bram Stoker's Dracula," which had the best opening weekend for any movie in Columbia Pictures' history.

The vampire of European peasant folklore was a brutish, rather uninteresting creature. Polidori's genius was to base his creature on Byron. Classically handsome but clubfooted and lame, brilliant but unstable, a poet and a libertine, a radical who was to the fighting with revolutionaries in Greece — Byron was a strange mixture of the heroic and the nasty. His life brought the adjective Byronic into our dictionaries.

At the turn of the 18th century, reason was settling in for a long winter's nap. Freud hadn't yet cracked and named the id, but the poets were writing about it. And Byron was living it as well as writing about it — a prototype of the genius propelled by his "dark" side. For Polidori — a second-rate writing talent but apparently a first-rate social parasite — it was a simple step from the real figure of Byron to the fictional vampire. By both of them, the vampire was a creature of the social order was made in a one supernatural and monstrous being.

One hundred and fourteen years later, when Bela Lugosi's Dracula made his famous entrance in the 1930 film, it was Ruthven's black tie and opera cape he was wearing. White-faced and weird-eyed the guy might be, but clearly this was a gent. Among other venues, he hunted the victim, making acquaintance with his first victim at a performance of Wagner. Coppola's Dracula, Gary Oldman, says that "the film image I can't get away from is Bela Lugosi."

In his 1897 novel, Stoker based his Count Dracula on Vlad the Impaler, a 15th-century ruler known for his brutality but regarded as a hero for keeping the invading Turks at bay. The vampire is still a nobleman, but not Byronic. In the Victorian world, he is an Old World interloper, a threat to middle-class stability, decency and innocence. One can speculate that Stoker also used a model nearer at hand — the charismatic and brilliant actor Henry Irving, for whom Stoker served as secretary for many years. Irving apparently had enormous force of personality. By both of them, the vampire was a creature of the social order was made in a one supernatural and monstrous being.



Winona Ryder and Gary Oldman in "Bram Stoker's Dracula."

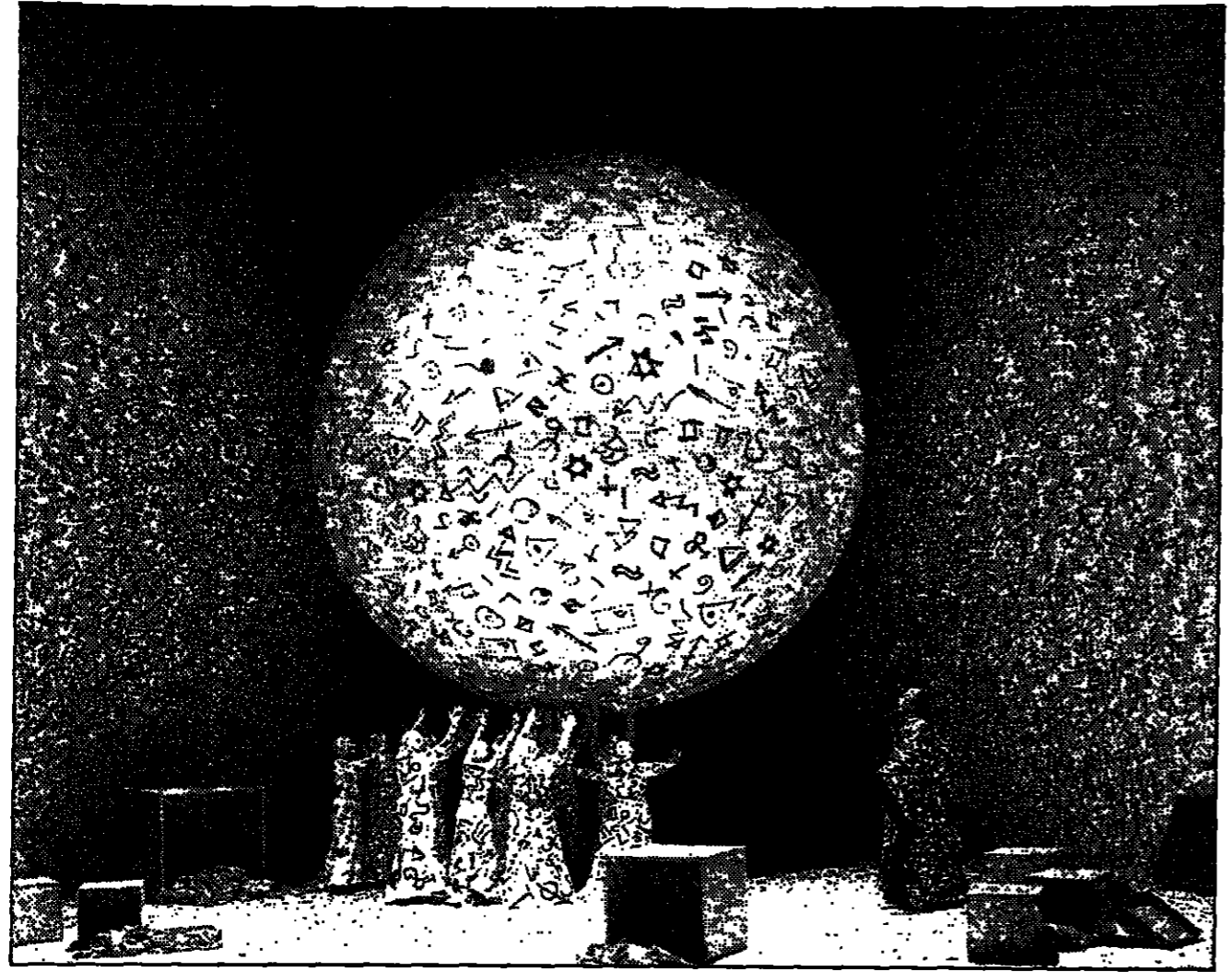
Mina and Lucy, and Lucy's various suitors prove to be exceptionally dim when it comes to understanding the threat that moves into their midst. Most of "Dracula" is slow going, which makes Stoker's creation of the Count even more impressive: The novel's reputation rests on him alone.

A lot of conventional mouthing goes on about the vampire and how he or she is "our dark side." Leaving aside the question of "we" are, what then makes the vampire different from the werewolf, or the Creature From the Black Lagoon? "Dark side" doesn't quite seem to cover it. The vampire isn't just a rampager. The threat of the average monster is pretty clear — possibly rape, definitely dismemberment and death. The vampire is more subtle. He's not so much a rapist as a seducer, drawing his victim into a rapture that unfortunately happens to end in things like death and being cursed for all eternity.

The Lugosi picture was originally released, on Valentine's Day, as "the strangest love story of all," and Coppola's new Dracula has the tag "Love never dies." As before a sensual rather than merely brutal monster, the vampire is an equal-opportunity bogey, preying on female as well as male creatures. Prior to Stoker's novel, the finest and creepiest vampire tale in English wasn't Polidori's, or the dreadful "Warner the Vampire," but Joseph Sheridan LeFanu's novella "Carmilla," which was veiledly explicit as only the Victorians could be in its depiction of the lesbian nature of the undead heroine's desires. Edward Munch labeled some of his somnolent, sensual women with their straggling hair "Vampires" (one of his lithographs depicts a woman biting into the back of a man's neck).

The man who can oppose the vampire isn't the one with vitality and strength, but the one with knowledge. Everett Slovic faced down Lugosi, and Peter Cushing played Christopher Lee's nemesis in the Hammer Film Series of Dracula movies. Laurence Olivier even had a shot at the part in the Frank Langella "Dracula."

Now the vampire has turned from a threat to society to its dangerous though sympathetic victim. The figure of unassisted appetite, the original Monster From the Id, is motivated in Coppola's movie by nothing else than romantic love. He's the enchanted fairy-tale prince whom the princess's love can release from a fleshy prison. Poor Byron, rake and rebel, domesticated and sent to the nursery.



"Die Frau ohne Schatten," visually striking in Geneva as staged by Andreas Homoki and Wolfgang Gussmann.

A Watershed Year for 'Die Frau'?

By David Stevens
International Herald Tribune

PERHAPS this is the watershed year for "Die Frau ohne Schatten," the next to last operatic product of the fruitful collaboration of Richard Strauss and Hugo von Hofmannsthal.

Since its premiere in Vienna in 1919, "The Woman Without a Shadow" has always occupied a special, somewhat remote place in the repertoire. Its material and musical demands long limited it largely to major opera houses of the German-Austrian world. It takes some lifting to get this work off the ground.

Furthermore, it makes considerable demands on the public. Hofmannsthal drew from all kinds of esoteric mythical and fairy-tale sources, consciously aiming at a "Magic Flute" for his time, in the manner of Gozzi, and some of the symbolism can seem very dense indeed. The correspondence between the two men shows that Strauss sometimes thought so too, and he occasionally longed for the characters of "Der Rosenkavalier" with "red blood in their veins."

But the relative inaccessibility of "Die Frau" seems to be giving way. At the Salzburg Festival this year, under Sir Georg Solti, the work was performed in its entirety, almost four hours of music, without the standard cuts.

Now, in the wake of Salzburg, comes a relatively rich harvest of new productions. Covent Garden premiered its new staging, designed by David Hockney, on Monday. But more significant for the penetration of "Die Frau" into the repertoire are the new productions in two houses not of the first magnitude in resources, but heroic in artistic aims. Marseille and Geneva have just mounted versions modern in spirit, intelligent in interpretation, and satisfying musically.

The symbolism is open to many nuances, but its reputation for impenetrability is overdone. The Emperor is a kind of playboy of the South-east Isles and the Empress is a visitor from the Spirit World he captured while hunting. They live the life of beautiful people, but she casts no

shadow — has not given birth — and the one-year deadline is about up, at which point she will be taken back to Daddy and her husband turned to stone.

On an earthly level are Barak the Dyer, poor but intensely human, and his wife, fundamentally good but tempted by the riches and erotic attractions held out by the Nurse, a kind of malicious procress from the Spirit World trying to get her shadow away for the benefit of the Empress. Barak, the only one with a name, has a natural humanity; the others have to learn it and earn it.

Both in Marseille, where the work has never been seen before, and Geneva, which has not seen it in about 15 years, the productions got away from the vaguely Oriental fairy-tale picture-book exoticism (or kitsch) the work invites, and brought it back to earth, either with almost concrete realism (Marseille), or with a kind of color-coded abstraction (Geneva).

Jacques Karpo, in 17 years as artistic director in Marseille, understood the city's volatile public and ran the house with cautious audacity. "Die Frau" was in his future book before his death last year, and it has been brought to the stage by his deputy and successor, Elie Buchhalter.

Charles Roubaud's production, in sets by Bernard Arnould, placed it in a sort of 19th-century upstairs-downstairs arrangement, with Barak's eye works and Dickensian living quarters below, the imperial couple in the penthouse, and another door leading to the unseen spirit world, the changes managed by stage elevator.

Friedrich Fleyer got fine playing from the Marseille orchestra, which spilled out of the pit into three levels of proscenium boxes to accommodate Strauss' mammoth requirements. The cast was particularly strong on the male side, with Jean-Philippe Lafont singing a Barak of earthy warmth in his debut in the role, and Robert Schunk sailing through the Emperor's Wagnerian tenor exertions with impressive ease. Ute Vinzing as the dyer's wife, Carmen Reppel as the Empress and Livia Budai as the villainous Amme.

The visually striking Geneva production, staged by Andreas Homoki and Wolfgang Gussmann, clearly separated the three worlds. The Spirit World was represented by masses of cabaretistic or ronic figures on a white ground, enveloping the entire stage in a triangular playing area. A huge ball of similar decoration occasionally descended to suggest the intervention of the higher powers.

THE imperial realm was suggested by royal blue costumes and blood red spear shafts, which proliferated and crowded together until they imprisoned the Emperor. Barak's world was a dyer's chrome yellow, in the clothing and the confusion of Chinese boxes tumbling all over. The symbolism was humanized: the "water of life" refused by the Empress did not appear as a fountain (per the libretto) or as laser beams (Marseille's effective solution), but came in bowls offered by a group of libation bearers.

Horst Stein delivered a solid, understated reading with the Suisse Romande orchestra, and the fine cast was headed by the imperial couple of Ellen Shade and Thomas Moser, with Reinhold Runkel as the Nurse and Wolfgang Schöne as an appealing, slightly lightweight Barak. Deborah Polaski, as the dyer's wife, sang and whispered the third performance under severe vocal indisposition, but occasionally hinted in the third act at what is surely a splendid role for her.

Remaining performances in Geneva are Nov. 18, 21, 24 and 27.

Simon's Meandering 'Lost in Yonkers'

By Sheridan Morley
International Herald Tribune

PARIS — Neil Simon's "Lost in Yonkers" reaches London (at the Strand) after a long Broadway run, a Pulitzer and the promise of an imminent movie, though it seems somehow lacking in the theatrical and cinematic strengths of his childhood tale, the one that straddled with "Brighton Beach Memoirs" and "Broadway Bound."

Here too we have the suburban New York family facing up to World War II with a mix of immigrant diffidence and New World optimism, though it is difficult to assess precisely who was the most lost in Yonkers at the time.

It is the old battle-ex grandmother (Rosemary Harris), or the three children she has killed with kindness (Maureen Lipman, Ron Berglas and Rolf Saxon), or the grandchildren (Benny Grant and Rose McColl) determined to get out from under.

All give powerful performances, with Lipman at her most comically touching as the retarded spinster searching for love, and Berglas funny as the mafia hitman totally terrified of Mom.

But something is missing here, and it is, I think, Simon's usual ability to find himself in the family snapshot and then act as our guide; none of the characters here, not even the boys, are ones he particularly seems to wish to associate with.

We are never, for instance, told which particular European disaster it was that grandmother had to escape from on a broken leg, given that the timing makes it impossible for it to have been

LONDON THEATER
Hitler. Nor is there ever quite the sense which the world play builds toward, the general confrontation with the old lady and her icy tyranny.

All these characters have stopped feeding because they couldn't stand the hurt, but David Taylor's production has a hard time filling in the gaps between their lines.

First staged in January 1895 at the beginning of the best and the worst year in the life of its author, Oscar Wilde's "An Ideal Husband" was from the start an unqualified triumph.

"Our only true thorough playwright," wrote George Bernard Shaw. "Wilde plays with wit, with philosophy, with drama, with actors and with audience."

And as Peter Hall's immensely confident revival at the Globe would indicate, the play has lost none of its fascination. In terms of

biography, a drawing-room drama dealing with blackmail, immiseration and the consequent likelihood of total professional ruin, all of which was to happen to Wilde within months of the opening night, is bound to retain a kind of fascination.

But the real miracle of "An Ideal Husband" a century later is its eternal topicality.

Indeed the plaintive cry of the Wildean Lord Goring (played here like a period Orson Welles by Martin Shaw) "Nobody is incapable of doing a foolish thing. Nobody is incapable of doing a wrong thing" might now usefully be inscribed over the palaces of Buckingham and Westminster as a warning for all who enter there and as a reminder of Wilde's eternal wisdom.

Finishing a glossy and intelligent production roughly halfway from Lyceum melodrama to Haymarket mystery, home comedy. Hall had ascribed some sturdy support (Michael Dundon and Dulcie Gray are the aristocratic observers) but centered his revival on the two female furies, Ann Carteret as the Woman with a Past come back to haunt the present, and Hannah Gordon as the virtuous wife offering an equally poisoned chalice.

David Yelland may be a little nebulous as the junior minister caught up in the wake of these furies, but the play retains its elegantly sinister timelessness.

TODAY'S BUSINESS MESSAGE CENTER

Appears on Page 16

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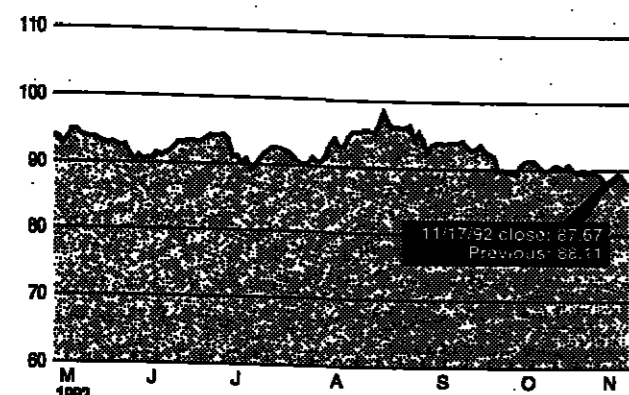
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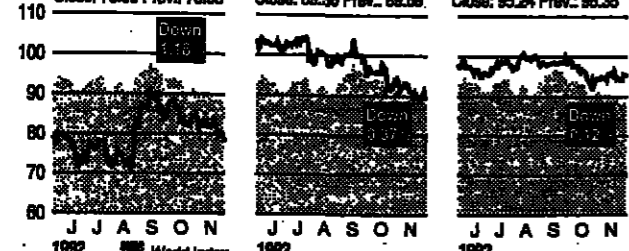
International Herald Tribune World Stock Index of 230 internationally investible stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia; Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

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Sector	Nov. 18	Nov. 11	% Change
Energy	80.02	80.19	-0.19
Utilities	83.60	83.40	+0.24
Finance	77.88	78.94	-1.37
Services	95.11	95.37	-0.27
Capital Goods	87.74	87.77	-0.03
Raw Materials	87.84	88.37	-0.60
Consumer Goods	91.55	91.80	-0.16
Miscellaneous	94.04	95.58	-1.51

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92221 Neuilly Cedex, France.

Could Spain Miss the EC Train?

By Roger Cohen
New York Times Service

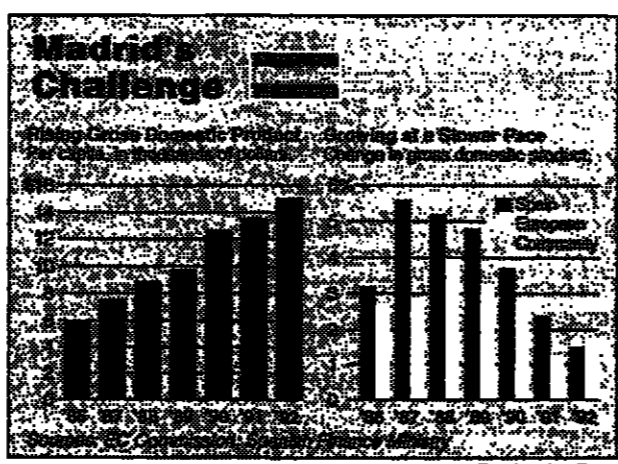
MADRID — It was called the Spanish miracle, but it might have been more precisely described as Europe's galvanization of Spain. For five years after joining the European Community in 1986, the country sped ahead, spurred by huge foreign investment, new competition and a revival of national energy after the long isolation of the Franco years.

The result, between 1986 and 1991, was that Spain grew faster than any country in Europe — an average of more than 4 percent a year. The country became stylish and successful, an image embodied by Prime Minister Felipe Gonzalez. It modernized, benefiting from billions of dollars in regional aid granted by the Community to one of its poorest members and by decisions from the likes of Ford Motor Co. and General Motors Corp. to build cars here.

But now, with the frontiers European market just a couple of months from completion, uneasiness has come with the realization that Mr. Gonzalez's miracle was partly an illusion.

The illusion was that Spain had been transformed to the point where it could compete head-to-head with, say, Germany and France.

"We were seduced into believing we were in the major league," said Jaime Mariategui, a business consultant. "But when you are



leading industries, said: "The attack, in Spain like in Italy and Britain, was clearly linked to the fundamentals. It was the markets' way of punishing those countries that have not thoroughly reformed their economies in recent years."

Spain's enduring problems are evident in the northern city of Oviedo, far from the razzmatazz of the Summer Olympics in Barcelona and the World's Fair in Seville.

Surrounded by blackened factories and belching chimneys, the town is home to the antiquated state-owned coal company, Hunosa, which has piled up losses of almost \$1.2 billion.

To offset Hunosa's losses, the government has piled the company with more than \$2 billion in subsidies since 1988. Although the work force has gradually been cut, there is no prospect that Hunosa will ever make money.

Hunosa's latest plan sees losses of \$474 million in 1993 after a cut in the work force to 12,286, from 14,700, at the end of next year.

In all, industries owned by the state industrial holding company INI, the parent of Hunosa, are expected to post losses of \$1.36 billion next year and to receive more than \$750 million in state subsidies.

"From the business point of view, Hunosa's plans are non-competitive to ensure that the single market of 1993 does not turn into a fiasco, with the strong economies of Europe simply tramping on the weak and eventually forming an inner club of their own?"

The danger seems real that Spain, having made a great leap, could slip back. The stock market, having boomed, has sunk back to 1986 levels and confidence is low. Growth has shrunk to 1.5 percent this year and is forecast at 1 percent for 1993.

Although the recent attack on the peseta has been dismissed by the government as largely speculative, José Folgado, a director of the employers' association that represents managers of Spain's

members a "model terrorism exclusion" to be inserted in all future policies.

Mike Jones, chief executive of the insurers association, puts the blame squarely on "reinsurance cover being unlikely to be available."

Several blocks away at Lloyd's of London, which traditionally offers reinsurance on terrorism risks among others, the story is diametrically different. George Lloyd Roberts, chairman of the Non-Marine Insurance Association at Lloyd's, blamed insurance companies for being "unprepared" to write the business. As for the reinsurers, he insisted, "The capacity is there it is just a question of paying for it."

An executive at a large London-based insurance broker that sells insurance to many large corporations insists that terrorism insurance will be available in the future, "but with lower limits on it and at a higher price."

The prospect of paying much more for significantly less coverage concerns British companies. "We are very worried

France Warns Others Will Pay For GATT Deal

Compiled by Our Staff From Dispatches

BRUSSELS — France on Tuesday all but abandoned its attempt to block a deal between the European Community and the United States on farm trade, but it threatened to make its EC partners pay the price by reopening debate on reform of the Community's Common Agricultural Policy.

"A deal is practically certain," said one senior official of the EC Commission, which conducts trade negotiations on behalf of the 12 Community members. "The French can no longer do anything to prevent it and are already positioning themselves for the post-agreement debate."

Earlier, France's agriculture minister, Jean-Pierre Soisson, said concessions the Community was being asked to make called into question the far-reaching reform adopted after agonizing wrangling by Community members last May.

He was speaking on the eve of talks in Washington that aim to break a deadlock on farm trade, which would allow the completion of the six-year-old negotiations to liberalize world commerce under the General Agreement on Tariffs and Trade.

"We have showed with figures

that the agreement, if signed, would probably call into question the reform of the Common Agricultural Policy," Mr. Soisson said in a radio interview.

In that case, he said, France would take a tough line in defending its farmers' interests. "If the reform has to be renegotiated, it will be to take into account the legitimate interests of French farmers and on this essential issue, I will not let go," he said.

His warning suggested a fierce struggle over the future course of EC agricultural policy. Although Britain has been Paris's principal opponent in the tussle over a GATT deal, Mr. Soisson indicated that European concessions on agriculture could bring France into conflict with Germany, the champion of small farmers.

The French minister has insisted that despite claims by the Community's farm commissioner, Ray MacSharry, the deal taking shape in Washington will force cuts beyond those agreed to under the CAP reform. That reform called for cutting production by setting aside 15 percent of arable land and compensating farmers with direct payments, and cut guaranteed prices for EC farmers by up to 30 percent.

Contrary to the popular impression, France's highly efficient cereals producers would be prepared to see even deeper price cuts. The bulk of German agriculture, by contrast, is made up of smaller, less efficient farmers.

"France has one card to play," one diplomat said. "She will tell other countries: Since you accept more freedom and fewer subsidies in world trade, accept this goal in the Community too."

Mr. Soisson also accused Britain's agriculture minister, John Gummer, of "political manipulation" to push a deal through at a meeting of EC farm ministers in Brussels on Monday.

Referring to Mr. MacSharry and Mr. Gummer, the French minister said "it's true that the Commission and the British minister want an agreement. If they want it at any price, they will suffer the consequences."

(Reuters, AP)

London, Fearing Bombs, Scrambles for Cover

By Erik Ipsen
International Herald Tribune

LONDON — With Britain fearing renewed terrorist attacks after the chance thwarting of two bomb attempts by the Irish Republican Army over the weekend, the fear in the City of London is a sudden scarcity of terrorism insurance.

A war has broken out between insurance companies and their reinsurers over who is responsible for the lack of terrorism protection. Corporations are scrambling for cover, meanwhile, and beginning to look to the government for help.

The stakes are huge. The IRA detonated a large bomb on St. Mary Axe in the heart of the financial district in April, killing three, injuring 90 and forcing the demolition of two buildings. Estimates of the claims that insurers will pay out as a result of that attack range from £800 million to £1 billion (\$1.2 billion to \$1.5 billion).

The Association of British Insurers has advised its members simply to cease covering damages to large buildings resulting from acts of terrorism, and recently sent to its

members a "model terrorism exclusion" to be inserted in all future policies.

Mike Jones, chief executive of the insurers association, puts the blame squarely on "reinsurance cover being unlikely to be available."

Several blocks away at Lloyd's of London, which traditionally offers reinsurance on terrorism risks among others, the story is diametrically different. George Lloyd Roberts, chairman of the Non-Marine Insurance Association at Lloyd's, blamed insurance companies for being "unprepared" to write the business. As for the reinsurers, he insisted, "The capacity is there it is just a question of paying for it."

An executive at a large London-based insurance broker that sells insurance to many large corporations insists that terrorism insurance will be available in the future, "but with lower limits on it and at a higher price."

The prospect of paying much more for significantly less coverage concerns British companies. "We are very worried

about this situation," said Alan Fleming, director of Imperial Chemical Industries' insurance arm and technical director of the Association of Insurers and Risk Managers.

ICI last week received a communication from its reinsurer, Munich Re. "Munich Re said that in the future they would not give us that cover and that was the first we heard of it," Mr. Fleming said. He is trying to set up a meeting between industrial companies and the government for next week to discuss the matter.

Ever since the April bombing, insurance companies have been lobbying the government to help cover the costs of terrorism, as it has done in Northern Ireland for 20 years. To date those efforts have met with no success, although some point out that the government also will be lobbied by Britain's largest pension funds, which have billions of pounds tied up in London property.

"Eight hundred million pounds is a huge amount of money for insurance companies to find," said John Woodden, See COVER, Page 16

MEDIA MARKETS

ABC and NBC Take a Tip From the Seasoned Viewer

By Bill Carter
New York Times Service

NEW YORK — Both ABC and NBC, which started the season sworn to a youth-oriented programming strategy, have begun to bring in reinforcements that are decidedly gray around the temples: Ben Matlock, Lieutenant Columbo and Perry Mason. The return of these familiar names is the best evidence that the American television season has changed focus. For the first part of the season, the network sales divisions prevailed. Now the programmers are taking over.

The shows featuring those characters have audience profiles far older than the shows they replaced. But they also have something that shows did not: healthy and dependable Nielsen ratings.

NBC, for example, opened the season with a Friday night drama, "The Roundtable," about a group of 20-something law-enforcement professionals in Washington. It averaged a 7.4 rating and lasted five weeks. When NBC brought in Perry Mason, to ring that hole, it earned a 12.1 rating.

Similarly, ABC has been struggling with the shows it had scheduled early on Thursday night. To help its overall standing during the rating sweeps month of November, ABC brought in a two-hour episode of "Matlock," a series that had earlier thrived on NBC. "Matlock" ranked as the 11th most watched show of the week.

Most executives in the U.S. television industry regard as inevitable the shift from shows for young viewers to those that appeal mainly to older viewers. As Betsy Frank, senior vice president at the Saatchi & Saatchi advertising agency, put it: "This isn't working. We've got to get something on that can do a decent household rating number."

The moves reflect the continuing problem that afflicts network programmers. The advertisers most want to reach viewers aged 18 to 49, so the sales divisions push them to find shows that reach that group. This starts an annual ritual, more exaggerated this year. Inevitably some shows fall, in part because only so many younger viewers are available at a given TV hour. Older viewers are much easier to reach and watch a lot more network television than younger people, who are more willing to watch cable. And a

The two networks' forever-young strategy is changing.

CURRENCY & INTEREST RATES

Cross Rates	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17
Australian \$	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38
British pound	1.65	1.65	1.65	1.65	1.65	1.65	1.65	1.65	1.65
Canadian \$	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Deutsche mark	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55
French franc	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Italian lira	1,936	1,936	1,936	1,936	1,936	1,936	1,936	1,936	1,936
Japanese yen	163	163	163	163	163	163	163	163	163
Netherlands guilder	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
New Zealand \$	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Portuguese escudo	200	200	200	200	200	200	200	200	200
Spanish peseta	166.64	166.64	166.64	166.64	166.64	166.64	166.64	166.64	166.64
Swedish krona	8.46	8.46	8.46	8.46	8.46	8.46	8.46	8.46	8.46
Swiss franc	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Thai baht	50	50	50	50	50	50	50	50	50
West German mark	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55
Yen	163	163	163	163	163	163	163	163	163

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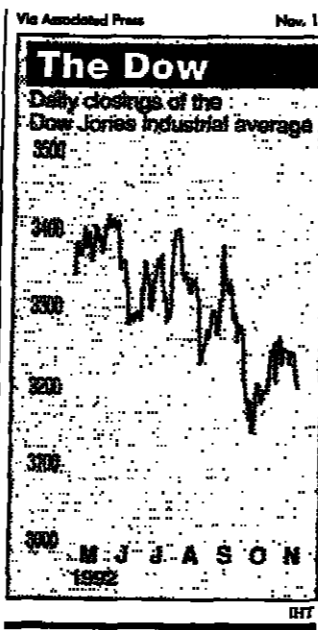
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HEAD OFFICE: GENÈVE 1204 - 2, PLACE DU LAC - TEL. 0221 706 95 95 - FOREX: 022 706 95 90 AND GENÈVE 1201 - 2, RUE DR. ALFRED-VINCENT - CORNER QUAI DU MONT-BLANC - BRANCHES: LUGANO 6901 - 1, VIA CANOVA - TEL. 091 23 85 32 - ZÜRICH 8039 - STOCKERSTRASSE 37 - TEL. 011 288 18 18 - GUYANNE - RUE DU PRÉ - ST. PÉTER PORT - TEL. (481) 711 781 AFFILIATE REPUBLIC NATIONAL BANK OF NEW YORK IN NEW YORK OTHER LOCATIONS: BEVERLY HILLS - CAYMAN ISLANDS - LOS ANGELES - MEXICO CITY - MIAMI - MONTREAL - NASSAU - NEW YORK - BUENOS AIRES - CARACAS - MONTEVIDEO - PUNTA DEL ESTE - RIO DE JANEIRO - SANTIAGO - GIBRALTAR - GUERNSEY - LONDON - LUXEMBOURG - MILAN - MONTE CARLO - PARIS - BEIRUT - HONG KONG - JAKARTA - SINGAPORE - TAIPEI - TOKYO

MARKET DIARY

High-Tech Woes Hit Broad Market

NEW YORK — Signs that earnings are deteriorating at computer and electrical-equipment companies helped drive U.S. stocks lower on Tuesday. Technology stocks are getting killed and the entire market...



Dow Jones Averages table with columns for Open, High, Low, Close, and Change.

Standard & Poor's Indexes table with columns for High, Low, Close, and Change.

NYSE Indexes table with columns for High, Low, Close, and Change.

NASDAQ Indexes table with columns for High, Low, Close, and Change.

AMEX Stock Index table with columns for High, Low, Close, and Change.

Dow Jones Bond Averages table with columns for High, Low, Close, and Change.

Market Sales table with columns for Buy and Sell.

N.Y.S.E. Odd-Lot Trading table with columns for Buy and Sell.

NYSE Diary table with columns for Advance, Decline, and Total Issues.

AMEX Diary table with columns for Advance, Decline, and Total Issues.

NASDAQ Diary table with columns for Advance, Decline, and Total Issues.

EUROPEAN FUTURES

Food table with columns for High, Low, and Change.

Metals table with columns for High, Low, and Change.

Financial table with columns for High, Low, and Change.

Grains table with columns for High, Low, and Change.

Meats table with columns for High, Low, and Change.

Livestock table with columns for High, Low, and Change.

Food table with columns for High, Low, and Change.

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Trade Panel Opens NAFTA Hearings

WASHINGTON (NYT) — The International Trade Commission began congressional mandated hearings Tuesday on the North American Free Trade Agreement...

Continental Proposes Limited Payoff

HOUSTON (AP) — A plan proposed by Continental Airlines to emerge from bankruptcy would pay back some unsecured creditors just pennies on the dollar...

Westinghouse Downgrade Threatened

NEW YORK (Bloomberg) — Standard & Poor's Corp. said Tuesday it may lower the ratings on \$2.6 billion of Westinghouse Electric Corp.'s debt...

Barnes & Noble Raises \$510 Million

NEW YORK (Bloomberg) — Barnes & Noble Inc. said Tuesday it had completed a \$508.4 million recapitalization, which included \$154.4 million in new equity...

For the Record

Home Depot Inc. said Tuesday that earnings jumped 44.5 percent in the third quarter to \$84.4 million...

Dollar Fails to Hold Gains Against the Mark

NEW YORK — The dollar ended the day unchanged Tuesday against major European currencies, with most of its early gains erased by a late technical sell-off.

Seoul Will Resume Economic Aid to Russia

SEOUL — South Korea, which granted and then cut off \$3 billion in economic assistance to the former Soviet Union, is preparing to resume its aid to Russia...

WORLD STOCK MARKETS

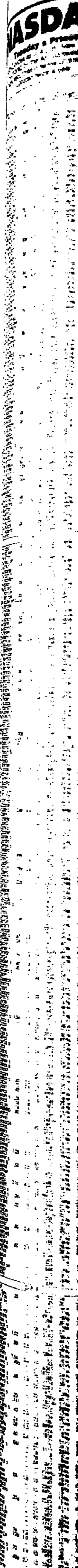
Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, and others.

U.S. FUTURES

Table of U.S. futures markets including Grains, Metals, Livestock, and Financial.

U.S. / AT THE CLOSE

Table of U.S. market closing data including Stock Indexes, Commodity Indexes, and various market indicators.



ING Nears Decision on BBL

Dutch Group Is Poised for \$2 Billion Bid

AMSTERDAM — After months of study, Internationale Nederlanden Groep NV is expected to make a decision on whether to proceed with a takeover bid for Banque Bruxelles Lambert SA of Belgium, analysts said Tuesday.

The Dutch banking and insurance conglomerate said it would probably make a statement about BBL on Friday. "We might make a statement, but that is subject to certain conditions and to the discussions we are holding now," said Philip de Koning Gans, general manager of corporate affairs and strategy at ING.

ING said in September that it planned to raise its share in the Belgian bank to at least 51 percent through a friendly takeover offer of a maximum 3,600 million francs (\$110) per share.

Since then, ING has raised its stake in BBL to 17.75 percent by acquiring a 6.72 percent stake from the Italian holding company Unipar. It also received shareholder approval for a preference share issue that would help finance the acquisition.

Late last month, ING said it had finished gathering information on BBL and would make a decision in mid-November about whether or not to proceed with the bid.

"I expect that the bid will go through at 3,600," said Jaap Koelwijn, an analyst at Pierson, Helderling & Pierson.

The acquisition of BBL, Belgium's second-largest bank, would turn ING into a powerhouse within Europe's financial-services industry. ING already is the fourth-largest listed company in the Netherlands, with market capitalization of 9.9 billion guilders (\$5.5 billion).

The Dutch group said its decision on whether or not to make a bid for BBL depended on a soon-to-be-completed audit of BBL's books.

Gruppe Bruxelles Lambert, the main shareholder in BBL, has said it was looking for an alternative to ING's offer to buy its 24.6 percent stake in BBL.

In September, GBL turned down an option to take a 6.72 percent stake in BBL being offered by Unipar, clearing the way for ING to make a public offer for BBL. GBL's managing director has said that ING's bid was as much as 1,800 francs too low.

(Reuters, Bloomberg)

Belgian Tax Aims to Cap Those Cheap Seats

Hurt BA's Profit Drink Cans

BRUSSELS — Belgium said Tuesday it would impose a tax on beer, soft-drink and sparkling-water containers by the end of 1993 as a first step to taxing all beverage packaging by the end of 1997.

The amount of the tax is still being negotiated but one of Belgium's two environmental parties, Ecolo, has proposed 20 francs (62 U.S. cents) a liter for drinks sold in nonrecyclable containers and 10 francs on recyclable packaging.

The plan, which has been condemned by the beverage and packaging industries, follows attempts in other European Community countries to curb packaging waste.

In Germany, beverage containers will be collected free from consumers by producers and sellers beginning in January. In the Netherlands, consumers pay a deposit on beverage containers, which are then recycled.

Critics of the Belgian plan said a tax on packaging, rather than a recycling program, would make Belgium the odd man out in Europe and would be hard to enforce because the country's consumers can shop across borders easily.

Beverage makers also say the tax would force them to change production methods and reduce jobs.

The water producer Spadel SA estimated it would have to spend 1 billion francs to adapt its plants to June 30, the first of its financial year.

"Yields were worse than I thought," said James Halstead, transport analyst at Swiss Bank Corp.

The reason was passengers' opting for less expensive seats. In the second quarter, BA said revenue passenger kilometers rose 15 percent in economy-class seats, and just 2 percent in first class and business class seats.

"We do not expect to see an increase in demand for our premium brands until there is sustained economic growth in the major markets which we serve," Lord King said. "Prospects for the second half of the financial year remain uncertain."

At the same time, BA officials said at an analysts' meeting Tuesday that capacity would rise 12 percent this winter and 14 percent next summer.

Mr. Halstead asked: "If they put on capacity, will they get legitimate prices?" He lowered his pretax earnings estimate for the year ending next March 31 to £285 million, from £320 million previously.

BA may be forced to cut prices further as a result of all its new capacity, said Chris Barry, analyst at Kleinwort Benson Securities. He said he may cut his earnings forecast as low as £250 million.

(AP, Bloomberg)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1900	2800	2100
1800	2700	2000
1700	2600	1900
1600	2500	1800
1500	2400	1700
1400	2300	1600

Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	104.90	105.20	-0.67
Brussels	Stock Index	5,568.66	5,571.14	-0.04
Frankfurt	DAX	1,545.06	1,548.96	-0.18
Frankfurt	FAZ	609.18	610.87	-0.28
Helsinki	HEX	771.86	779.13	-0.93
London	Financial Times 30	1,996.40	2,004.60	-0.41
London	FTSE 100	2,678.20	2,679.60	-0.01
Madrid	General Index	206.77	204.80	+0.96
Milan	MIB	946.00	935.00	+1.07
Paris	CAC 40	1,764.44	1,772.73	-0.47
Stockholm	Affarsvearden	809.27	811.05	-0.22
Vienna	Stock Index	352.32	350.93	+0.40
Zurich	SBS	631.90	638.90	-1.10

Sources: Reuters, AFP
International Herald Tribune

EC Court Backs Telecommunications Edict

BRUSSELS — The European Court of Justice gave its blessing Tuesday to efforts by the EC Commission to crack open state telecommunications monopolies on its own.

The court largely upheld a Commission edict of 1990 requiring European Community governments to open up their markets for a range of telecommunications services. It rejected arguments by Belgium, France, Italy and Spain that the EC executive body had overstepped its powers by enacting the rules directly without submitting them to EC ministers for approval.

The rules require governments to ensure that private operators can compete equally with state-owned companies to provide such services as telefax, data transmission and private telephone networks.

But they do not cover regular phone calls between individuals, the bulk of the telecommunications business. Telephone service is controlled by state monopolies in all EC countries except Britain. (Reuters, AFP)

SPAIN: Could Madrid Be Late?

(Continued from first finance page)

Wasteful subsidies worsen the budget deficit, which is expected to total 4.4 percent of the gross national product this year, an earlier target of 4 percent was abandoned.

Under terms of the Maastricht treaty for European unification, a deficit of less than 3 percent of GNP is required for a country to be accepted among those adopting a single currency.

The growing deficit fuels inflationary pressure. Inflation this year is expected to reach 6.4 percent, up from 5.5 percent in 1991, and almost double the level of such stronger economies as France and Germany.

It was just such a discrepancy that eventually forced the peseta to be devalued and that still, in the view of many analysts, threatens its stability.

Finance Minister Carlos Solchaga defended the policy at Huesca as inescapable. "There is a serious social problem in the Asturias region, so we can only cut the work force little by little," he said.

In presenting the 1993 budget this month, Mr. Solchaga tried to project the toughness that world markets have wanted. He announced a freeze on public-sector wages. That action, coming on top of cuts in unemployment benefits and the health service, is intended to ensure that the deficit is cut to 3.6 percent of gross national product next year.

"Although next year is an election year, we are convinced that a populist budget would get us no where," he said. "We have to face our problems to meet our European targets, and we believe that the people of Spain understand this."

But many Spaniards are skeptical. They believe that, like the Italian government, which recently retreated from austerity measures, and the British, which scaled back plans to close inefficient coal mines, Spain's Socialist government will relent and allow the waste to persist.

"The government knows what needs to be done and has known since 1989, but always hesitates when the moment comes," Mr. Folgado said.

Still, the country has already shown it is capable of great strides in the pursuit of European integration.

Its per capita gross domestic product has leapt from \$5,991 in 1986 to \$15,149 this year, or just 20 percent short of the European Community average.

It has dismantled trade barriers while modernizing much of its industry and attracting successful foreign investment, particularly in the auto industry, which now accounts for about 10 percent of national economic output.

While Spanish corporations are not exactly striding out to conquer Europe, some companies are becoming impressive regional powers, expanding into Portugal and southern France.

Bamesto, a leading bank, and Uralita, a building materials company, are among those that have grown in this way, generating enthusiasm in Spain for European unity.

Very briefly:

- Philips Electronics NV acquired GTE International Inc.'s 70 percent stake in the Japanese lighting company Koado Sylvania, which has annual revenue of about \$40 million.
- Elser NV's shareholders voted unanimously in favor of proposals for the planned merger with Reed International PLC.
- Fiat SpA has shelved a plan to build a bus assembly plant at Mataro, north of Barcelona.
- Siemens AG expects its 11 plants in Eastern Germany to post further losses this year, although these will be smaller than in the year ended Sept. 30, when they were above 100 million Deutsche marks (\$62 million).
- CRH PLC of Ireland spent 22 million punts (\$13.3 million) to buy Braks BV and Monster BV in the Netherlands; the assets of Jewell Concrete Inc. in Texas and asphalt plants from Midway Excavators Inc. in New Hampshire; and the assets of Fitzpatrick Asphalt Ltd. in Britain.
- Compaq Computer Ltd. won a contract to deliver 1,000 ProLinea personal computers to Post Office Computers Ltd.
- Volkswagen AG received approval from the International Finance Corp. and the European Bank for Reconstruction and Development for a 1.4 billion DM bank loan as part of a 6.8 billion DM investment in its joint venture Skoda Automobily SA in Czechoslovakia.
- GEC-Alsthom has won a contract worth 67 million French francs (\$12.5 million) to supply gas turbines for New York water-treatment stations.

Austria Eases Stance on Chrysler Aid

BRUSSELS — Austria said Tuesday that it was prepared to reduce the state aid paid to its Chrysler plant in Graz to avoid punitive European Community duties on the plant's automobiles.

Last week, the Community decided to impose 10 percent import duties on the vans because it thought Austrian government investment subsidies for the plant, at 33 percent of overall costs, were too high and would distort competition.

Vienna decided to bow to the demand to cut the subsidies because it feared punitive duties would be more costly to Chrysler than losing some of the aid. It was not clear how much it would lower state subsidies.

SCREENS: U.S. Targets Japan

(Continued from page 1)

number of companies met in Dallas to discuss a draft proposal for the consortium, which also would be backed with corporate funds.

A Defense Department official who asked not to be identified said that within the last few weeks companies discussing a possible consortium have "reached the critical mass" needed to move ahead with the project.

Industry sources said there were several reasons why American companies have decided to band together with the Defense Department, including a sense of urgency over Japan's efforts to develop a new generation of displays.

"This industry has the potential to be the kind of technology driver for the electronics industry that semiconductor were in the 1970s and 1980s," said Peter H. Mills, an industry consultant in Austin who led the two meetings in Dallas. "To rely on foreign sources for a technology as critical as this one is something that concerns all of us."

Some industry sources estimate the Japanese are outpacing the United States more than 20 to 1 in flat-panel research, with the lead Japanese company, Sharp Corp., having committed close to \$1 billion for research and development between 1991 and 1993.

Malcolm Thompson, manager of the electronic imaging laboratory at Xerox's research center in Palo Alto, California, said, "We realize we can't work on this independently, because one company cannot support an entire infrastructure."

Victoria Hadfield, government relations manager for Semiconductor Equipment & Materials International, a trade association in Mountain View, California, said: "There's a sense that with government providing a push, the game's not over yet."

COMPANY RESULTS

Revenue and profits or losses, in millions, unless otherwise indicated.	Unitliver	United States
Year	1992	1991
Revenue	2,570	2,710
Profit	1,010	1,010
Per Share	2.10	2.10

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Profit	1,010	1,010
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China Drumroll Spooks Market In Hong Kong

By Laurence Zuckerman

HONG KONG — The escalating political tensions between China and Britain caught up with Hong Kong stocks Tuesday and analysts say investors will need to perceive some hope of a resolution for the market to resume a climb.

Analysts attributed Tuesday's 3.28 percent drop in the Hang Seng index to comments by the Chinese vice premier Zhu Rongzhi, who is visiting London. After a dinner Monday at which the Hong Kong governor, Chris Patten, was also present, Mr. Zhu reportedly said that Mr. Patten's proposals to advance democracy in the colony had caused Beijing to wonder whether the 1984 Chinese-British Joint Declaration on Hong Kong's future "should go with the wind."

The remark was widely reported in Hong Kong as a suggestion that China might abandon its commitment to the agreement. On Tuesday, however, the British government rejected Beijing's criticism and told Mr. Zhu that the Patten proposals were consistent with the joint declaration, Reuters reported from London.

Foreign Secretary Douglas Hurd told Mr. Zhu that Britain and Mr. Patten wanted to help ensure a smooth transition to Chinese rule. Mr. Hurd "emphasized the government's strong support for the governor and his constitutional proposals," a Foreign Office official said.

After opening sharply down Tuesday, the key Hong Kong index plunged as much as 250 points before recovering slightly to close at 6,086.57, down 206.31. "Nerves have been rattled," said Barry Yates, research director of Asia Equity.

The colony's notional equity stock market has remained surprisingly resilient in recent weeks, hitting record heights despite increasing tension among London, the colony and Beijing since Mr. Patten announced his proposals on Oct. 7.

The market's strong corporate-profits forecasts, driven directly or indirectly by double-digit growth across the border in China's booming coastal region, has attracted many overseas investors who have no other way of cashing in on China's economic growth.

With foreigners often leading the charge, local investors also moved in, seemingly oblivious or impervious to the political storm. Analysts said many local investors had high hopes that Mr. Zhu would help fashion a compromise with London during his meetings with Prime Minister John Major and Mr. Hurd.

But rather than boost confidence, his statement Monday appears to have exacerbated tensions. "The market certainly had not been expecting the issue to deteriorate to such an extent," said John Mulcahy, regional research director for Peregrine Brokerage Ltd.

Brokers said that local investors led the sell-off while overseas and institutional money stayed on the sidelines. "The buying interest that has fueled the market has dried up for the time being," said David Lavington, sales director at Morgan Grenfell.

Analysts warn that the friction may increase to the point where politics overshadow the market's otherwise strong appeal.

Nintendo Profit Outshines Matsushita

Compiled by Our Staff From Dispatches

TOKYO — In another sign of the ascendancy of software over hardware, the video-game maker Nintendo Co. reported Tuesday a 10.4 percent rise in pretax profit in the financial first half, while Matsushita, the world's largest consumer-electronics company, said group pretax profit plunged 66 percent.

The result put Nintendo on track to surpass Matsushita in pretax profit at the percent level for the full year.

Nintendo's pretax profit rose to 41.57 billion yen (333.4 million) in the six months ended Sept. 30, from 37.67 billion a year earlier. At the pretax level, profit rose 5.5 percent to 80.25 billion yen. The advance was based on a 13.2 percent increase in sales, to 277.41 billion yen from 245.12 billion.

Sales gains were strong abroad, and especially in Europe, where there is relatively low penetration of game machines that use 16-bit microprocessors, like Nintendo's Super NES.

But according to Nintendo, it is software that sells video games, not hardware. And last year has seen several big hits like the Nintendo-produced "Mario Kart," as well as "Dragonquest 5" and "Street-

Casio and Seiko Slow Down

Compiled by Our Staff From Dispatches

TOKYO — Casio Computer Co. and Seiko Corp., Japan's leading watchmakers, on Tuesday reported steep falls in their half-year current profit amid a sales slump.

Casio, Japan's top producer of digital timepieces, said pretax earnings for the six months ended Sept. 30 fell 24 percent to 8.58 billion yen (\$69.0 million), from 11.29 billion yen.

Seiko, the world's largest watchmaker, saw its pretax profit drop 26.6 percent in the period to 1.60 billion yen, from 2.18 billion yen.

Both companies linked the results to slower spending by Japanese and European consumers during the world economic slowdown.

Seiko said sales for the half fell 9.8 percent to 137.41 billion yen, after 152.26 billion yen. As a result, the watchmaker cut its full-year earnings forecast from 3.5 billion yen to 3.2 billion yen.

Casio said sales edged up 3.5 percent to 171.03 billion yen, after 165.21 billion yen. Sales of its portable liquid-crystal television sets and other electronic goods aside from watches led the increase.

Unlike the software-driven game

from 197.5 billion a year earlier. Sales fell 4 percent to 3.51 trillion yen, from 3.67 trillion, with domestic sales down 7 percent.

A spokesman blamed the downturn on the slowdown in domestic spending, which hit audio and visual equipment badly, as well as the strength of the yen and increased capital-investment depreciation.

The company said the only increase in sales came in portable phones in Japan and cordless phones, printers and disk drives overseas.

Analysts said Matsushita's profit fall was steeper than the industry average and stemmed in part from the company's failure to move to newer products.

"Matsushita's main problem is that a lot of their products — televisions and consumer electronic products — are not particularly high growth," said Mike Jeremy, an analyst at Baring Securities.

Both Matsushita and Sony would do well to investigate new high-grade products like CD-ROMs.

Matsushita slashed its forecast for group pretax profit for the full year to 170 billion yen, down from a May forecast of 385 billion and down from last year's profit of 363.42 billion.

(Reuters, Bloomberg, AFP)

Taiwan Targets Flagging Market

Compiled by Our Staff From Dispatches

TAIPEI — Taiwan may allow foreign individuals to invest in the local stock market as part of a second round of market liberalizations designed to give a boost to flagging share prices, officials said Tuesday.

A senior Security and Exchange Commission official also said that it was weighing plans to allow so-called "day trading," when investors buy and sell the same shares on the same day, which is now banned.

The official said it was not clear how soon the changes would be put into place, since they require the approval of other agencies, including the central bank.

(AFP, Reuters)

Daihatsu Posts Loss, Cuts Payout

Bloomberg Business News

TOKYO — Daihatsu Motor Co., a member of the Toyota group that specializes in small cars and commercial vehicles, reported Monday its first loss since its stock was listed in 1989 and cut its dividend.

Daihatsu, in which Toyota Motor Corp. has a 15.4 percent stake, posted a parent-company pretax loss of 4.92 billion yen (\$39.4 million) and a net loss of 4.94 billion yen in the half year to Sept. 30.

A Daihatsu spokesman attributed the loss to a 13 percent decline in domestic auto sales, by volume, and a 10 percent fall in exports.

"The poor state of the domestic economy contributed to declining sales," the spokesman said. But revenue for the first six months of the year rose 2.5 percent year-on-year to 391.20 billion yen.

For the full year to March 31, the company expects cost-cutting measures to enable it to contain its current and net losses to 5 billion yen each.

Daihatsu plans to cut its full-year dividend in half, to 3 yen a share.

Economic uncertainties make it too early for the company to tell when it will be able to return to profit, the spokesman said.

Daihatsu, a pioneer in electric cars that competes with Suzuki Motor for the top spot in the minicar market, has suffered from a steep drop in sales of compact cars with engines of 661 to 1,000 cc and minicars with engines of up to 660 cc. Last year, sales of small cars and minicars accounted for 62 percent of Daihatsu's total sales.

Once popular in Japan for their efficiency and cost-saving appeal, sales of minicars have fallen following a series of regulatory and tax changes.

Daihatsu's earnings were also hurt by rising depreciation costs left over from expansion undertaken in the 1980s.

Investor's Asia

Table with columns for Exchange, Index, Tuesday Close, Prev. Close, % Change. Rows include Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225, Sydney All Ordinaries, etc.

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- Nomura Securities Co. is closing the Munich branch of Nomura Bank (Deutschland) GmbH, the Basel branch of Nomura Bank (Switzerland) Ltd., and its representative office in Stockholm, as it streamlines.
• Japan's major city banks are weighing a one-quarter percentage point cut in short-term prime rates, at 4.75 percent since August, in response to recent falls in short-term money market rates, bank officials said.
• Australian Airlines has ordered two Boeing Co. 737-400 for 100 million Australian dollars (\$68.9 million).
• Asian Development Bank, Hongkong & Shanghai Banking Corp., Citibank, Dai-ichi Kangyo Bank, Hang Seng Bank, Sakura Bank and Asahi Mutual Life Insurance Co. and the Shanghai authorities are financing a \$250 million bridge over the Huangpu river in Shanghai.
• Eurocopter, the Franco-German helicopter maker, will hold 51 percent of a venture with two Japanese partners, Nazzari & Co. and Sany Trading International, to improve after-sales services to Japanese clients.
• China's Workers' Daily newspaper has called for the nation's state-run dailies to go commercial as part of China's market reforms.
• India's stock exchanges saw no trading Tuesday because of a boycott by brokers who are protesting an increase in registration fees due Dec. 8.
• Taiwan's aerospace production is expected to yield \$2.7 billion a year by 1996, compared with \$630 million in 1989, economic officials said.

Table of international fund listings with columns for fund name, currency, and other details.

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SPORTS FOOTBALL

Bills Beat Dolphins by 6, Take Lead in AFC East

By Thomas George
New York Times Service

MIAMI — Seeking to avoid their first sweep by the Miami Dolphins in six years, seeking to avenge an embarrassing 37-10 loss to the Dolphins in Week 5 and seeking sole possession of first place in the American Conference East division, the Buffalo Bills reached all three goals by rallying in the second half for a 26-20 victory before 70,629 fans in Joe Robbie Stadium.

The victory Monday night put Buffalo at 8-2 as it joined San Francisco and Dallas as the teams with the best records in the National Football League.

Miami fell to 7-3 and has these games left in its attempt to catch Buffalo: Houston, New Orleans, San Francisco, the Raiders, the New York Jets and New England. Buffalo plays Atlanta, Indianapolis, the Jets, Denver, New Orleans and Houston.

Trailing by 26-17 with just under nine minutes left in the final quarter, the Dolphins' Pete Stoyanovich kicked a 24-yard field goal only to have it nullified on a holding penalty by James Saxon. Stoyanovich tried again from 34 yards and missed, with the ball striking the left upright.

He would make one from 50 yards with 4 minutes left, but the Bills were able to run out the clock for their 11th victory in the last 13 games in this series and their fifth triumph in six tries in this stadium. Miami contributed to the Bills'

game-ending drive with a pass-interference call on Troy Vincent on a third-down play.

"We tried to keep the mistakes down and we did that in the first half and had the lead," said Don Shula, the Dolphins' coach. "But in the second half, we made too many mistakes and it cost us the ball game. We knew that could be the prime way we could lose the game, and it's just what happened."

Buffalo dominated the third quarter, scoring 13 points to enter the final period with a 26-17 lead. Two Miami turnovers had helped the Bills wipe out the Dolphins' 17-13 halftime lead.

Kenneth Davis' 1-yard run with 9:16 left in the third quarter gave Buffalo its first lead, 20-17. Then, with 7:02 left in the quarter, linebacker Darryl Talley tackled and stripped Mark Higgs of the ball at the Buffalo 44. Cornelius Bennett recovered, and the Bills' offense turned that into Steve Christie's 23-yard field goal.

The Bills got the ball back again, this time on Henry Jones' interception. The ball bounced off tight end Keith Jackson's hands, Jones gathered it in and sped 22 yards to the Miami 18. Christie converted that turnover into a 19-yard field goal with 11 seconds left in the quarter to complete Buffalo's 7-minute assault.

Quarterback John Elway, said the Denver Broncos' coach, Dan Reeves, is questionable for Sunday's game against the Los Angeles Raiders because of a sore right

shoulder, The Associated Press reported.

Elway was injured in the second quarter of Denver's 27-13 victory over the New York Giants on Sunday night. Rookie Tommy Maddox filled in admirably in the second half, completing 9 of 13 passes for 134 yards.

Safety Brett Maxie of the New Orleans Saints will undergo surgery next week and faces rehabilitation of up to 10 months following a season-ending knee injury against San Francisco.

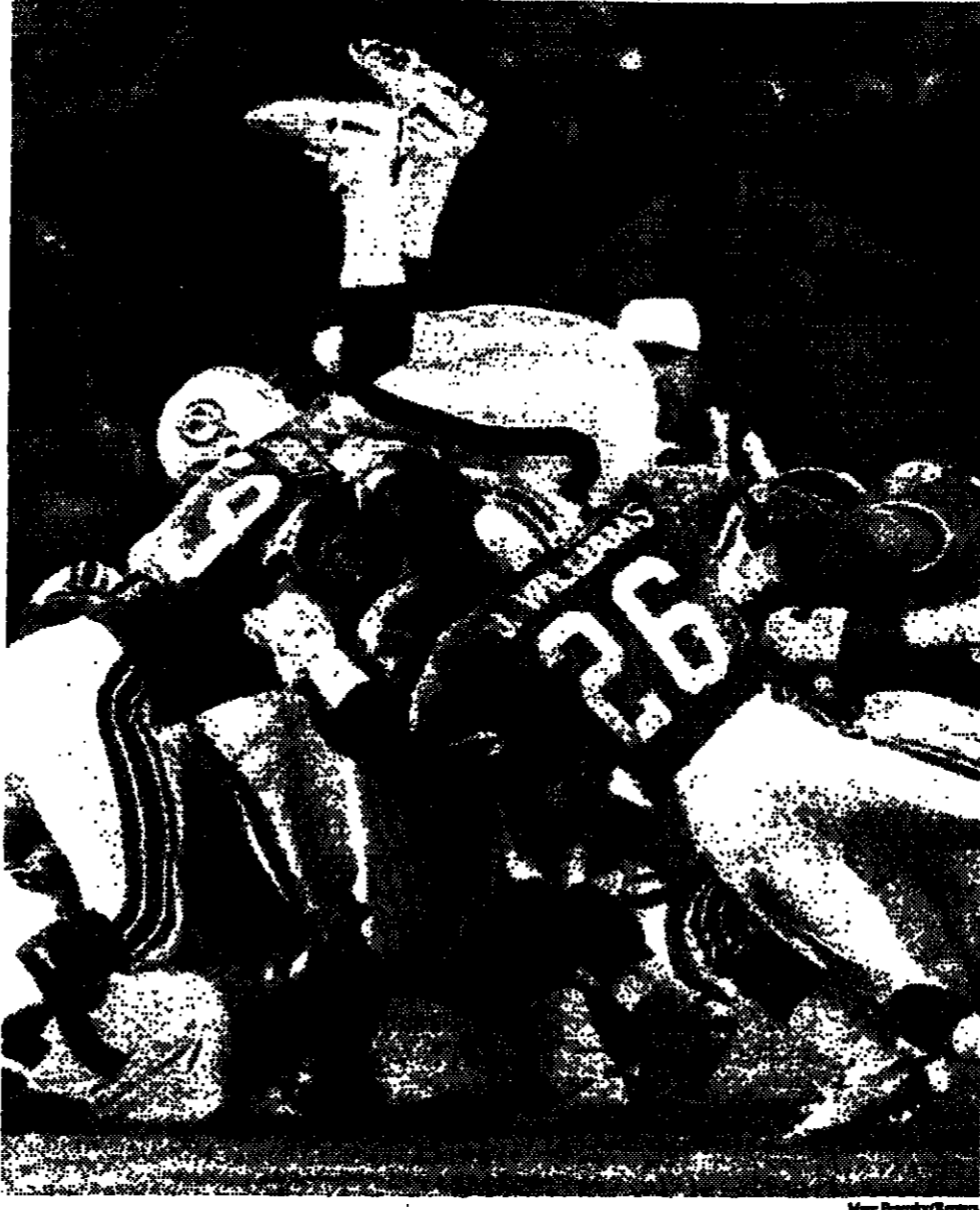
Maxie had two ligaments torn in his left knee when somebody apparently rolled over him during the Saints' 21-20 loss Sunday.

Wake Accepts Bowl Bid

Wake Forest officials confirmed that the university has accepted a berth in the Independence Bowl against an opponent yet to be selected. The Associated Press reported from Winston-Salem, North Carolina.

But should the 25th-ranked Demon Deacons beat No. 13 North Carolina State and Duke beat No. 21 North Carolina on the final weekend of the Atlantic Coast Conference season, Wake Forest could play in the Peach Bowl. Wake (7-5) now has a six-game winning streak as its coach, Bill Dooley, concludes his college coaching career.

The financially troubled Heritage Bowl, the only bowl game for predominantly black schools, is moving from Miami to Tallahassee, Florida, the Southwestern Athletic Conference announced.



Kenneth Davis got a first down for the Bills the hard way, but the Dolphins helped with the scoring.

Clinging to the Past

International Herald Tribune

SEVILLE — The most precious gift to a sportsman is time. The time to move a split second before opponents, the time to think one step ahead of temptation, ultimately the time to make his exit.

Franco Barresi, having managed the first two to the extent that he is the best organizer in Italian soccer, is experiencing problems with the final act. A month ago he retired from the national team. Now he is back as Italy's captain for Wednesday's crucial World Cup qualifier in Scotland. Italy's pressmen are legion. Barresi is damned if he does retire, damned if he doesn't. He pleaded for the right, at 32, to spend more time on family and business interests that, when it suits Italy, will be his future.

No way. From the senate, in the person of the soccer federation's president, Antonio Matarrese, on down, Barresi was reminded of his national duty.

So, it has come to this, an obligation rather than a privilege to dress in the blue shirt that all Italy — Pavarelli, Agnelli and Berlusconi among them — wear only in their dreams? How dare Barresi decline just because he has done it for 61 times and for 10 years already?

If he were unfit, Italy might excuse him. But, he admitted, "I feel absolutely fine, it's just that after so many years you feel the need to live your life differently."

Ah, so the man is not quitting soccer. He wants to play for AC Milan, but not for Italy?

Well, yes, Barresi anticipates two or three more years with Milan. It doesn't take a genius to figure that the less he asks of himself, the longer he can pursue Milan's millions.

But it is Milan's president, Berlusconi, not Barresi, who boasts that Milan is bigger than any national team. And Milan made Barresi one of the sport's seriously rich performers.

He has never played for any other club, not since Inter Milan signed his brother but rejected him. Barresi learned the price of fame was a youth cloistered in a luxury prison known as Milanello.

"Living at Milanello," Barresi said, "is a great sacrifice. I'd abolish it because the days never pass, there isn't a solitary distraction, just the football field, the television and our own little rooms. That's no life."

He was 18 at the time. This camp, ever more luxurious but no less single-minded, was the making of Barresi as a defender numero uno. The process separates two kinds of mentality: The football brain honed at the expense of any wider or wilder application of the mind.

Through quickness of eye, toughness, and a rare ability to turn defense to attack, Barresi grew into the kingpin of a changing Italian culture. His first coach, the veteran Swede Nils Liedholm, urged him toward a more fluid, more adventurous game. Arrigo Sacchi then built around Barresi a Milan team deploying Dutch principles of calculated risk, of compressing the match by attacking in the opponent's half the pitch.

SOME ITALIANS, notably the Juventus trainer Giovanni Trapattoni, still cling to the anchor of a defensive sweeper. But the national team, now coached by Sacchi, is taking on new life. The problem is convincing the Italians that risk pays. They conceded two early goals against the Netherlands and were two against Switzerland in Cagliari.

That intensified the call to bring back Barresi. Sure, the man is slowing and was castigated for mistakes when Italy failed to qualify for Euro '92. But he has no equal in reading the play and bringing order to confusion.

Everyone saw the dreadful goalkeeping errors of Luca Marchegiani against the Swiss, yet Marchegiani is reliable for Torino and his jittery with Italy stemmed from insecurity ahead of him. Alessandro Costacurta looked lost paired at the heart of the defense with Paolo Maldini. The latter is a natural attacking full back, light years from succeeding Barresi as sweeper. Both are more comfortable playing alongside Barresi for Milan.

So, on Wednesday, the skipper is back. "I was hoping his wife would talk him back into retirement. Barresi's still a very, very tough defender and a great user of the ball. And we are desperate to win."

If the Scots lose, they can kiss USA '94 goodbye. Compounding the return of Italy's reluctant hero is the absence, through a groin injury, of Scotland's captain, Richard Gough. Gough is a leader of a different kind, a man of mighty physique, never-say-die spirit and the experience that could make all the difference when the battle becomes a test of nerve.

Other Europeans will also cling to experience Wednesday. In Seville, where Spain once never lost, the rough and tough challenge from Ireland causes the manager, Javier Clemente, to temper his boast that the boys who won the Olympic gold can go all the way to the World Cup.

Those Olympians have not scored for two games, and Clemente has recalled Emilio Butragueño, the veteran from Real Madrid. The Irish have injected the injured foot of John Aldridge to help him to a 50th cap in Spain, where he spent two successful years with Sociedad.

England, too, gambles on a trusted competitor overcoming the doubt in his body. David Platt has "something painful flaring about in my knee," but Platt alone has scored for England since Gary Lineker retired.

Short of Lineker returning a la Barresi, England dares not rest Platt. He has scored all five of his nation's goals in seven matches and, for as long as he lasts, he is one who can crack Turkey's belief that it must one day beat England.

Every man has his day. Ernst Happel, who died Saturday, had more than most. A last line to Austria's goal in age, he revealed in the notorious wendiscoder, world champion, for his ability to show exquisite skills, even to score, from his central defensive role.

Happel matured into a somewhat dour manager. A cigarette in his mouth, a hankering for the roulette wheel, his tactical wiles helped club teams win 17 major awards. He led Feyenoord and Hamburg to European Champions Cup title and just failed to manage the Netherlands to the 1978 World Cup title before it lost an emotional final to host Argentina.

Rob Hughes is on the staff of the Sunday Times.

AIDS: Series of Deaths Stuns, and Divides, the World of Championship Figure Skating

(Continued from page 1)

Dream, at Varsity Arena in Toronto, to honor Mr. McCall and to raise money for AIDS research in Canada.

The Toronto exhibition represents the first real public appeal by the figure skaters. Mr. McCall, a bronze medalist with Miss Wilson at the Calgary Olympics in 1988, died while planning the Skate the Dream fund-raiser. Like most of the other skaters afflicted with the AIDS virus, Mr. McCall told only his closest friends about his disease, fearing the customs and immigration laws in the United States.

When Mr. McCall could no longer lace his skates over a tumor in his foot, he continued to work in the United States as a choreographer. One month before his death, Mr. McCall was still directing Mr. Orser's program. Mr. Orser has labored with Miss Wilson to complete Mr. McCall's plans for Skate the Dream and will perform a routine choreographed by Mr. McCall in his program on Saturday.

"Rob's death was the first time an Olympian passed away from AIDS," Mr. Orser said. "It was important, and it's a cause worthy of exposure."

But Mr. Orser, like his compatriot and former Olympian Toller Cranston, believes that figure skating does not deserve any special attention regarding AIDS.

"There's all this finger pointing at figure skating," Mr. Orser said. "I don't know of any other skaters with the disease. AIDS is everywhere. Not just in figure skating. Not just in sport. It's only that figure skaters are in the spotlight."

Whether or not fears have become exaggerated, the sport's top officials are fighting insiders' perceptions that figure skating is under siege. David Dore, director general of the Canadian Figure Skating Association, has been trying to prevent panic among parents of junior skaters in his program.

The association is a major sponsor of Skate the Dream and has sex-education programs available for its "high-performance athletes." Mr. Dore insisted, however, that AIDS is society's problem, not figure skating's cause.

"People have been frightened about this in figure skating for several years," he said, "but I don't think the rate is anything above the rest of society."

But Paul George, who represents the U.S. Figure Skating Association on the U.S. Olympic Committee's board of directors, said he was stunned by Mr. Curry's recent announcement.

"It made me think that we should redouble our education efforts," Mr. George said. "We have an obligation to our young athletes."

Mr. George said that the U.S. association's official magazine, Skating, would soon feature an article on the disease, and that there would be a greater emphasis on the seminars and educational programs for junior skaters. Since figure skating is essentially a noncontact event, there has been no call for blood tests from any quarter.

AIDS is not the only health problem

facing the sport. The emphasis on a balletic build has sometimes pushed skaters toward bulimic or anorexic eating behavior, so Mr. George urged the combination of AIDS education with warnings on nutrition.

There is also the matter of an openly HIV-positive athlete attempting to enter the United States. A foreign visitor admitting to a positive HIV test must receive a special waiver in order to enter the United States, which could cause critical delays for international sports stars who need to cross boundaries at a moment's notice.

"People have been forced to lie about their health," said Suzanne Goldberg, a New York attorney for Lambda Legal Defense and Education Fund. "It's a law that is keeping talented people out of this country."

Ms. Goldberg's organization is concerned that the laws are virtually forcing foreign skaters into a lonely and potentially dangerous denial. Otherwise, they cannot expect to perform in exhibitions, or to coach, in the United States.

Few skaters wish to walk away from their lucrative and satisfying careers. Mr. Pocker, who died April 28 at age 32, was very quiet about his struggle with AIDS. Even after his death, members of Mr. Pocker's family have tried to avoid sensational revelations. Through a spokesman, the family released a simple statement: "Brian wanted to be remembered for his accomplishments in life, and not for the cause of his death."

Mr. Curry, 42, also suffered in silence as a skater and choreographer long after he learned he was HIV-positive in 1987. He developed AIDS in the summer of 1991. Mr. Curry has gone into seclusion in Warwick, England.

"My whole circle of friends died," Mr. Curry told The Mail of London last month. "I don't mean lovers, but I'm talking about people you go to the theater or to dinner with. I'd been in San Francisco, Los Angeles and New York, so I thought it really was very unlikely that I wouldn't be affected."

Mr. Curry has since declined requests for interviews.

Mr. Cranston has been perhaps the most outspoken critic of those who would link AIDS with figure skating.

"In the skating world, as far as I know, AIDS is not rampant," Mr. Cranston told reporters in Canada after Mr. McCall's death. "It's not like every second person has it. Just because Rob McCall is a figure skater or Magic Johnson is a basketball player doesn't mean everyone else in the sport has it."

Mr. Cranston will be in Toronto on Saturday skating for AIDS research, along with Miss Witt, Kristi Yamaguchi, Dorothy Hamill, Scott Hamilton, Debi Thomas, Kurt Browning and others. It is a loud outcry by figure-skating personalities after a series of quiet and terrible deaths.

"This was Rob's idea," Miss Wilson said. "And more than anything else, I just miss being with Rob."

Goethals Runs Marseille Again

Compiled by Our Staff From Dispatches

MARSEILLE, France — Marseille Olympique's resident Belgian trouble-shooter, Raymond Goethals, took over Tuesday as the team's trainer for the third time when its coach, Jean Fernandez, was relieved of his duties for a month.

Fernandez, who succeeded the 71-year-old Goethals last summer, when the latter became the club's sports director, was told to take a month's rest, club sources said.

Goethals took over the reins at about the same time last year when the coach then, Tomislav Ivic of Croatia, was given a fortnight's break by the team's owner, Bernard Tapie, ostensibly because of the troubled situation in Croatia.

Ivic, who had not asked for the break, never returned to Olympique.

Tapie first turned to Goethals two years ago, when Franz Beckenbauer decided he could not run the team on a daily basis.

Marseille, the French league champion for the past four years, is now in fifth place.

UEFA has again moved the European Champions' Cup match Dec. 9 between Glasgow Rangers and CSKA Moscow, from Spain to possibly Germany, a Rangers official said Tuesday.

Because of winter weather, the game had already been moved from Moscow to Santander, Spain.

"UEFA was unhappy with the Spanish venue," said Rangers secretary-director Campbell Ogilvie. "We are waiting to find out their reasons."

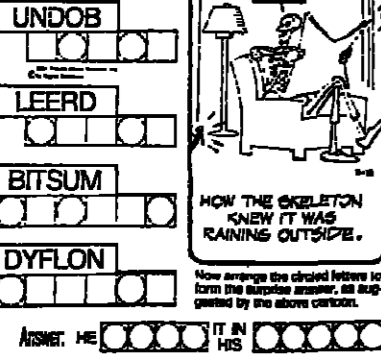
(Reuters, AP)

DENNIS THE MENACE



MY CONSCIENCE TOLD ME NOT TO DO IT, BUT I DECIDED TO GO ALONG WITH TIMMY'S CONSCIENCE INSTEAD.

JUMBLE



Yesterday's: JUMBLE: HONOR, MODEL, GENTRY, TRAVELER. Answer: They really put us to work but we earned it! "DOD-TOY-PAAT"

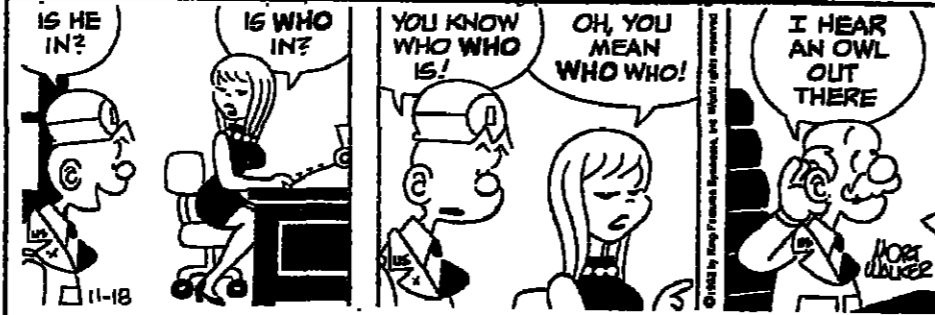
PEANUTS



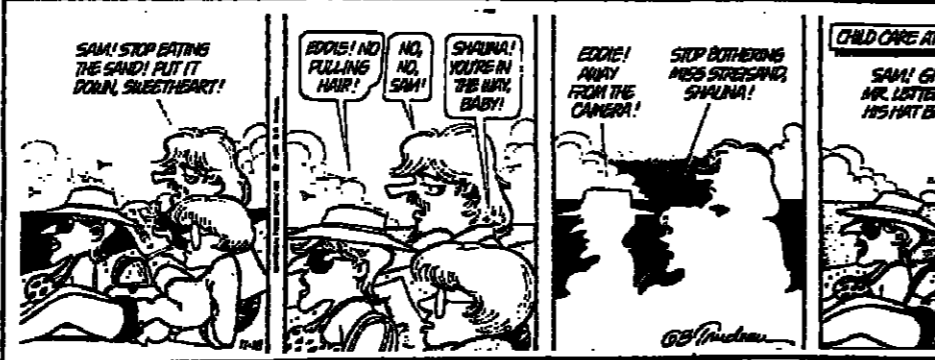
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DOONESBURY



CALVIN AND HOBBES



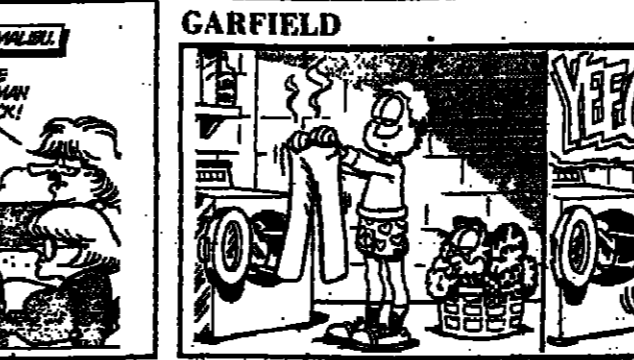
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PEOPLE

Schwarzenegger Fights U.K. Tabloid Crumples

Arnold Schwarzenegger accepted big but undisclosed libel damages Tuesday from the Sunday Mirror of London over a front-page article with the headline "Arnie, Gay Snaps Shocker." The Mirror told the High Court it now accepted there was no truth at all in its allegations published on June 17, 1990. In 1973, Schwarzenegger was photographed for his book "Pumping Iron," later a film. The two photos published by the Mirror were from the series but were taken in the gym shower room and were not in the book. The two photographs had appeared in a U.S. homosexual magazine without the consent or knowledge of the actor or the photographer, the court learned.

Princess Diana, back from a trip to France, told Britain's press to get its mind off her and her husband Prince Charles and use its vast power to help kids get off drugs. "Like it or not, I have been quite a provider for the media and now I am asking for your help to reduce the suffering caused by drugs," she said, opening a seminar to mark European Drug Prevention Week, a pan-European week of activities aimed at stopping young people from getting involved with drugs. Her remarks followed continued speculation about her marriage, which went so far in one press report as to say that Prince Charles might relinquish his right to the throne in favor of his eldest son, Prince William. Buckingham Palace declined to comment.

John Kennedy says his ex-husband, Senator Edward M. Kennedy, died very supportive since their divorce in 1981. She said she had met the senator's new wife, Vicki, and added that she was "really happy for him."

Margaret Thatcher paid tribute in Israel to Golda Meir, the late Israeli leader, for having the heart of a lioness. She spoke at the dedication of a day care center named for her in the southern town of Sderot.

International Classified Appears on Pages 10 & 16

Malcolm X: After all the Talk, the Movie

By Vincent Canby New York Times Service

NEW YORK — Malcolm X lived a dozen different lives, each in its way a defining aspect of the Afro-American experience from nightmare to dream. There was never any in-between for the man who was initially called Malcolm Little, the son of a Nebraska preacher, and who, when he died, was known by his Muslim name, El-Hajj Malik El-Shabazz. Malcolm traveled far, through a number of incarnations, to become as much admired as he was feared as the black liberation movement's most militant spokesman and unrelenting conscience.



Denzel Washington as Malcolm X in Spike Lee's new film.

Malcolm was already something of a myth when he was assassinated at the Audubon Ballroom in New York on Feb. 21, 1965, just three months short of his 40th birthday. The publication later that year of "The Autobiography of Malcolm X," his remarkably vivid testament written with Alex Haley, eventually consolidated his position as a great American folk hero, someone whose life speaks with uncanny pertinence to succeeding generations, white as well as black. Taking the autobiography and a screenplay by Arnold Perl, which was begun more than 20 years ago (Perl died in 1971), Spike Lee has attempted the impossible and almost brought it off. His new "Malcolm X" is not exactly the equal, or even the equivalent, of the book, but it's an ambitious, tough, seriously considered biographical film that, with honor, eludes easy characterization. "Malcolm X" is going to offend a lot of people for all the wrong reasons. It's neither as inflammatory as Lee's statements about it would have you believe, nor as comforting as might be wished by those who would call a halt to speculation concerning Malcolm's murder. It's full of color and exuberance as it tells of life on the streets in Boston and New York, but it grows increasingly austere when Malcolm is arrested for theft and sent to prison, where he finds his life's mission. The movie becomes proper, well-mannered and somber, like Malcolm's dark suits and narrow ties, as it dramatizes his rise in Elijah Muhammad's Nation of Islam. Lee treats the Nation of Islam and its black separatist teachings seriously and, just as seriously, Malcolm's disillusion when Elijah Muhammad's fondness for pretty young secretaries is revealed. When, after his split from the Nation of Islam, Malcolm goes on his pilgrimage to Mecca, the film celebrates his new insight into racial brotherhood, which makes his assassination all the more sorrowful. In the film's view, a god has been recognized, then lost.

Lee means for "Malcolm X" to be an epic and it is, in its concerns and its physical scope. In Denzel Washington, it also has a fine actor who does for "Malcolm X" what Ben Kingsley did for "Gandhi." Washington not only looks the part, but he also has the psychological left, the intelligence and the reserve to give the film the dramatic excitement that isn't always apparent in the screenplay. This isn't a grave film, nor is it singular. Biographical films, except those about romantic figures long since dead like "Lawrence of Arabia," carry with them responsibilities that tend to inhibit. Lee hasn't been inhibited as much as simultaneously awe-stricken and hard-pressed. "Malcolm X" is frank about what it sees as the conspiracy to murder Malcolm, which involves a combination of people representing the Nation of Islam and the Federal Bureau of Investigation. Yet, in trying to cover Malcolm's life from his boyhood to his death, it sometimes seems more breathlessly desperate than cogently revealing. The movie picks up Malcolm's story in the 1940s on his arrival in wartime Boston as a bright but square teenager from rural Michigan. Malcolm eagerly falls in with the wrong crowd, initially represented by Shorty (Lee), a street hustler who shows him how to dress (a pead gray zoot suit) and introduces him to the fast set at the Roseland Ballroom. Malcolm learns how to Lindy, how to wheel and deal. He discovers women, drugs. In addition to his attachment to Lonna (Theresa Randle), a sweet young black woman, he develops a far steeper liaison with a thrill-seeking young white woman, Sophia, played by Kate Vernon, who looks a lot like Carol Baker in her "Baby Doll" days. As the film moves forward from the '40s, it suffers spasms of flashback to scenes of Malcolm's childhood in Nebraska and Michigan. These are so fragmented that they may mean nothing to anyone who hasn't read the autobiography. They also don't do justice to the early experiences themselves, especially to Malcolm's time in a white foster home where he excelled in school and was encouraged by the well-meaning adults who didn't hesitate to refer to him as a "nigger." Lee is very good in his handling of individual sequences but, until very near the end, "Malcolm X" fails to acquire the kind of momentum that makes everything that happens seem inevitable. The film goes on and on in a kind of reverential narrative monotony. The story of Malcolm X is fraught with pitfalls for any moviemaker. Lee is creat-

OBSERVER

Honk Against Wonks

By Russell Baker NEW YORK — If the Washington Post uses the word "wonk" one more time it's all over between us. I wouldn't go out with a girl who said "wonk" every time she opened her mouth, so why should I be seen with a newspaper who thinks it's cute to say "wonk" until I beg for mercy?

"Wonk" is a terrible, ugly word. It makes a terrible sound and, what's more, a sound that doesn't even suggest a meaning as the sound of, say, "klutz" suggests a meaning. It just makes that terrible braying noise. The simple act of writing "wonk" right here makes me wince. Only somebody with a tin ear could possibly say it without feeling embarrassed.

Yet the Washington Post is making a determined effort to ram this abomination into the American language. Somebody down there, or maybe the entire staff sitting as a committee of the whole, has chosen "wonk" as the word for Bill Clinton and all his deeds, thoughts, dreams and associates. The "wonk" onset at the Post has been simmering for weeks as its writers, like newspaper writers everywhere, scrutinized dictionaries for exciting, or at least startling, new words to define Clinton's startling views on government.

The fact of course is that Clinton's views are so thoroughly unstartling that it is probably misleading to the reader to apply a new vocabulary to them. To flourish, however, newspapers must create the illusion that every day in every way the world becomes newer and newer. As a former newspaperman myself, I can understand why Clinton's plain, prudent unstartling might drive a reporter to overspice the presidential dish.

The Post had been using "wonk," but sparingly, until the week before the election when it broke out in a large bold headline that said, "Policy Wonk." This was not a piece about Clinton but about a man outside the Clinton entourage who, the story indicated, was interested in government policy-making that the average guy you meet at the gasoline pump. To the casual reader the "policy wonk" story may have seemed unnecessary, but not to me. Having

watched "wonk" worm its way through Washington Post body type for several weeks, I suspected it was now being tested for heavier headline duty in the event of a Clinton victory. Sure enough, on the Sunday after the election, readers were brought up short on Page One by this large, ear-grating headline: "Wonk If You Love Clinton." Underneath the headline erupted a Vesuvius of "wonky," which is my word, sorry to say, for this affliction, and not the Post's. The article said Clinton "admits to being a wonk" but doesn't like "nerds," and in the ensuing three columns: (1) Called him "the King of the Wonks"; (2) Said that as a result of his election "the wonks are feeling their oats"; (3) Described Ronald Reagan as a man whose "unwonkiness" was "legendary"; (4) Reported that "wonks never do anything by accident"; (5) Quoted a Clinton worker who said he didn't "mind being called a wonk" because unlike "nerds," "wonks get dates"; (6) And lots more.

I have consulted two semi-eminent word men, David Halberstam and Sander Gilman, on the root and meaning of "wonk" and hesitate to consult William Safire only for fear that he has already published a monograph explicating all and might tax me for fecklessness upon finding I hadn't read it. Vanour believes "wonk" is what used to be known in school as a "grind," someone who irritated his classmates by scoring high grades, not because of pure brilliance, but by tirelessly conscientious application to the books. By this definition, the last presidential "wonk" was Richard Nixon.

Halberstam agrees that we are talking about the old-fashioned "grind," but is puzzled about how we got from "grind" to "wonk." He recalls that in his student days at Harvard in the 1950s, "wonk" and "wonkie" were the students' terms of contempt for the "townies," nonstudents who infested Harvard Square. In its present use, "wonk" still smacks of that elegant snoot, which is another reason for forgetting it, Washington Post.

WEATHER

Weather forecast section including maps of Europe, Asia, North America, and Latin America, with temperature and precipitation data for various regions.

CROSSWORD

Crossword puzzle section with clues for Across and Down words, and a solution for the puzzle of Nov. 17.

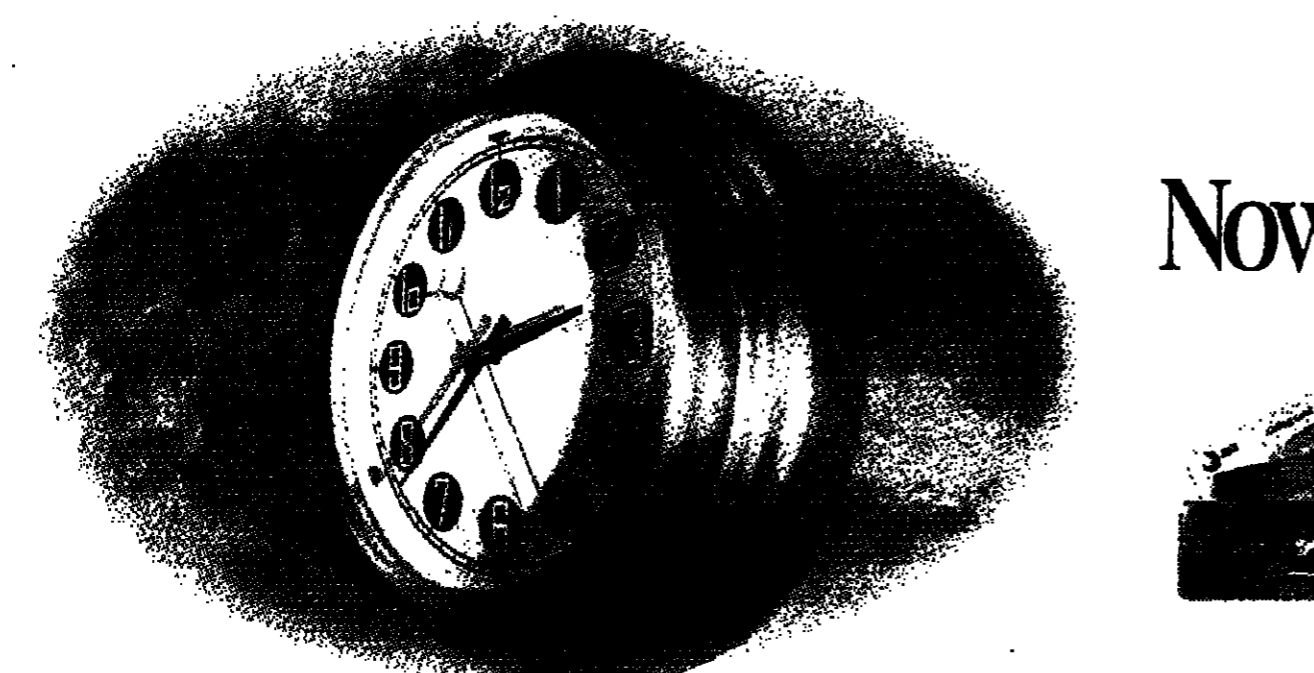
BOOKS

ENGLISH MUSIC By Peter Ackroyd. Illustrated. 400 pages \$23. Knopf. Reviewed by Christopher Lehmann-Haupt "YOU should never call me dad," says Clement Harcombe, a seedy London spiritualist, to his son and helper, Timothy, near the opening of Peter Ackroyd's highly literary new novel, "English Music," set in the 1920s and '30s. "You should learn to call me father," Clement continues. "It has more of a ring to it," echoes Tim, knowing that his father detests his habit of repeating words. "There are plenty of new words," says Clement. "Don't use up the old ones."

Found, as well as novels about writing like "Hawksmoor," "Chatterbox" and "First Light," Ackroyd knows full well that there's more to English literature than merely quoting it. At the end of "English Music" he breaks through dramatically to identify the eternal present in the legend of Arthur and Merlin as written by Thomas Malory. This, of course, is what he has been driving at from the start, that there is no time in English music, only a return to the deepest myths the language has told. But unfortunately, where there is no time, there cannot be any narrative. Maybe that's what's fundamentally wrong with this novel: All too near the beginning, you know what it will say in the end. Christopher Lehmann-Haupt is on the staff of The New York Times.

BEST SELLERS

Table listing best-selling books in FICITION and NONFICTION categories, including titles like 'The Tail of the Body' and 'The Secret History'.



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